

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW MEXICO

IN RE:	}	CASE NUMBER
	}	
MBF Inspection Services, Inc.	}	18-11579-t11
	}	
DEBTOR(S).	}	CHAPTER 11

DEBTOR'S STANDARD MONTHLY OPERATING REPORT (BUSINESS)

FOR THE PERIOD
FROM December 1, 2018 TO December 31, 2018

Comes now the above-named debtor and files its Monthly Operating Reports in accordance with the Guidelines established by the United States Trustee and FRBP 2015.

Attorney for Debtor's Signature

Debtor's Address
and Phone Number:

MBF Inspection Services, Inc.
805 N. Richardson Ave.
Roswell, NM 88201
(575) 625-0599

Attorney's Address
and Phone Number:

B.L.F. LLC
924 Park Ave. SW
Albuquerque, NM 87102
(505) 242-7004

Note: The original Monthly Operating Report is to be filed with the court and a copy simultaneously provided to the United States Trustee Office. Monthly Operating Reports must be filed by the 21st day of the following month.

For assistance in preparing the Monthly Operating Report, refer to the following resources on the United States Trustee Program Website, <http://www.justice.gov/ust/r20/index.htm>.

- 1) Instructions for Preparations of Debtor's Chapter 11 Monthly Operating Report
- 2) Initial Filing Requirements
- 3) Frequently Asked Questions (FAQs)

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD BEGINNING December 1, 2018 AND ENDING December 31, 2018

Name of Debtor:	MBF Inspection Services, Inc.	Case Number :	18-11579-t11
Date of Petition:	June 22, 2018		

	CURRENT MONTH	CUMULATIVE PETITION TO DATE
1. FUNDS AT BEGINNING OF PERIOD	<u>1,547,382.39</u>	<u>(a) 1,628,843.44</u>
2. RECEIPTS:		
A. Cash Sales	-	-
Minus: Cash Refunds	(-)	(-)
Net Cash Sales	-	-
B. Accounts Receivable	<u>3,935,290.73</u>	<u>30,004,546.34</u>
C. Other Receipts (See MOR-3) (If you receive rental income, you must attach a rent roll.)	<u>41,516.30</u>	<u>48,804.03</u>
3. TOTAL RECEIPTS (Lines 2A+2B+2C)	<u>3,976,807.03</u>	<u>30,053,350.37</u>
4. TOTAL FUNDS AVAILABLE FOR OPERATIONS (Line 1 + Line 3)	<u>5,524,189.42</u>	<u>31,682,193.81</u>
5. DISBURSEMENTS		
A. Advertising	-	1,009.39
B. Bank Charges	<u>3.80</u>	<u>5,121.21</u>
C. Contract Labor	<u>18,772.42</u>	<u>63,064.18</u>
D. Fixed Asset Payments (not incl. in "N")	-	-
E. Insurance	<u>2,701.78</u>	<u>54,962.51</u>
F. Inventory Payments (See Attach. 2)	-	-
G. Leases	<u>12,428.66</u>	<u>74,571.96</u>
H. Manufacturing Supplies	-	-
I. Office Supplies	<u>1,332.95</u>	<u>17,434.31</u>
J. Payroll - Net (See Attachment 4B)	<u>2,475,423.27</u>	<u>19,822,357.20</u>
K. Professional Fees (Accounting & Legal)	<u>65,031.51</u>	<u>261,413.33</u>
L. Rent	-	51,000.00
M. Repairs & Maintenance	<u>5,053.13</u>	<u>26,181.09</u>
N. Secured Creditor Payments (See Attach. 2)	<u>4,968.49</u>	<u>2,066,668.63</u>
O. Taxes Paid - Payroll (See Attachment 4C)	<u>742,080.04</u>	<u>5,331,661.48</u>
P. Taxes Paid - Sales & Use (See Attachment 4C)	<u>32,796.99</u>	<u>186,864.03</u>
Q. Taxes Paid - Other (See Attachment 4C)	-	14,595.48
R. Telephone	<u>2,757.76</u>	<u>15,034.46</u>
S. Travel & Entertainment	<u>1,613.80</u>	<u>21,229.47</u>
T. U.S. Trustee Quarterly Fees	-	149,587.23
U. Utilities	<u>1,555.75</u>	<u>7,650.04</u>
V. Vehicle Expenses	<u>1,268.94</u>	<u>10,427.76</u>
W. Other Operating Expenses (See MOR-3)	<u>220,905.95</u>	<u>1,565,865.87</u>
6. TOTAL DISBURSEMENTS (Sum of 5A thru W)	<u>3,588,695.24</u>	<u>29,746,699.63</u>
7. ENDING BALANCE (Line 4 Minus Line 6)	<u>1,935,494.18</u>	(c) <u>1,935,494.18</u>

I declare under penalty of perjury that this statement and the accompanying documents and reports are true and correct to the best of my knowledge and belief.

This 18th day of JANUARY, 2019.

Bobby Carroll
(Signature)

- (a) This number is carried forward from last month's report. For the first report only, this number will be the balance as of the petition date.
- (b) This figure will not change from month to month. It is always the amount of funds on hand as of the date of the petition.
- (c) These two amounts will always be the same if form is completed correctly.

MONTHLY SCHEDULE OF RECEIPTS AND DISBURSEMENTS (cont'd)

Detail of Other Receipts and Other Disbursements

OTHER RECEIPTS:

Describe Each Item of Other Receipt and List Amount of Receipt. Write totals on Page MOR-2, Line 2C.

Description	Current Month	Cumulative Petition to Date
Monthly rent from Carabelli Dental for use of MBF parking lot	100.00	350.00
Monthly office rent from Bobby Carroll	-	1,500.00
Received for employee insurance premiums	381.08	721.42
Check received from employee for payroll overpayment	3,577.40	3,577.40
Reimbursement from MBF Management	37,457.82	37,457.82
Frank Sturges	-	415.00
Witness fees for S. Bell & S. Andrus from Riley, Shane, & Keller	-	80.00
Lane Alton - Refund of remaining retainer for legal representation	-	1,657.20
Postage purchased by MBF employee	-	1.00
Purchase of toner cartridge by MBF employee	-	100.00
Refund from Fedex (overpayment)	-	386.36
Refund from US Treasury (overpayment of 2017 taxes)	-	258.15
Deposit from Expert Pay to verify new bank account	-	0.14
Transfer of funds from MBF Pay Pal bank account (account closed)	-	1,874.54
Cash back received from American Express	-	120.94
Refund from Grainger for 2014 overpayment	-	264.06
Purchase of CPR cards by MBF employee	-	40.00
TOTAL OTHER RECEIPTS	41,516.30	48,804.03

"Other Receipts" includes Loans from Insiders and other sources (i.e. Officer/Owner, related parties directors, related corporations, etc.). Please describe below:

<u>Loan Amount</u>	<u>Source of Funds</u>	<u>Purpose</u>	<u>Repayment Schedule</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

OTHER DISBURSEMENTS:

Describe Each Item of Other Disbursement and List Amount of Disbursement. Write totals on Page MOR-2, Line 5w.

Description	Current Month	Cumulative Petition to Date
Employee garnishment payments	1,029.98	4,990.86
Expert Pay - Employee child support payments	5,002.83	42,058.10
American United Life Insurance Company - Employee benefits/401(k)	68,291.84	538,031.96
United Healthcare - Dental/health/life insurance contributions	133,590.55	889,453.31
Contributions to Lifelock subscription	213.32	1,325.36
Contributions to New Benefits	50.00	346.45
Expenses billed to customers	1,541.88	10,819.40
Dues & subscriptions	890.12	16,724.79
Penalties and interest paid	-	113.14
Postage and shipping expenses	443.13	8,247.91
Pre-employment background checks on field employees	591.70	8,027.50
Safety expenses: Drug testing, training, OQ fees	1,492.00	30,564.23
Charitable contributions	-	4,600.00
CSC - Annual report filings	-	2,358.25
Business license renewal	-	35.00
Prepayment on American Express credit card	3,000.00	3,000.00
Printing & mailing services for claimant notices	4,733.76	4,733.76
Rent on office copier and postage machine	34.84	435.85
TOTAL OTHER DISBURSEMENTS	220,905.95	1,565,865.87

NOTE: Attach a current Balance Sheet and Income (Profit & Loss) Statement.

ATTACHMENT 1

MONTHLY ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Name of Debtor: MBF Inspection Services, Inc. Case Number: 18-11579-t11

Reporting Period beginning December 1, 2018 Period Ending December 31, 2018

ACCOUNTS RECEIVABLE AT PETITION DATE: \$ 4,276,860.88

ACCOUNTS RECEIVABLE RECONCILIATION

(Include all accounts receivable, pre-petition and post-petition, including charge card sales which have not been received):

Beginning of Month Balance	\$ 4,082,407.79	(a)
PLUS: Current Month New Billings	<u>3,403,547.31</u>	
MINUS: Collection During the Month	<u>3,935,290.73</u>	(b)
PLUS/MINUS: Adjustments or Writeoffs	<u>733.63</u> *	
End of Month Balance	<u>\$ 3,551,398.00</u>	(c)

*For any adjustments or Write-offs provide explanation and supporting documentation, if applicable:
\$733.63 adjustment for November billing created in December

POST PETITION ACCOUNTS RECEIVABLE AGING

(Show the total for each aging category for all accounts receivable)

0-30 Days	31-60 Days	61-90 Days	Over 90 Days	Total
<u>2,895,367.14</u>	<u>507,229.25</u>	<u>99,099.26</u>	<u>49,702.35</u>	<u>3,551,398.00</u> (c)

For any receivables in the “Over 90 Days” category, please provide the following:

<u>Customer</u>	<u>Receivable Date</u>	<u>Amount</u>	<u>Status*</u>
Spectra	09/06/18	461.37	Collection efforts taken
Spectra	09/06/18	606.88	Collection efforts taken
Spectra	09/09/18	5,536.44	Collection efforts taken
Spectra	09/09/18	2,920.00	Collection efforts taken
Spectra	09/23/18	5,536.44	Collection efforts taken
Spectra	09/23/18	3,050.80	Collection efforts taken
Spectra	10/11/18	5,536.44	Collection efforts taken
Spectra	10/11/18	3,159.80	Collection efforts taken
DCP	10/27/18	11,079.89	Collection efforts taken
Navitas	10/26/18	13,357.77	Collection efforts taken
Holly	10/13/18	37.94	Collection efforts taken
Holly	N/A	(18.95)	Oustanding credit
Holly	N/A	(176.03)	Oustanding credit
Holly	N/A	(187.27)	Oustanding credit
Holly	N/A	(146.68)	Oustanding credit
Holly	N/A	(6.02)	Oustanding credit
Spectra	N/A	(1,046.47)	Oustanding credit

*(Collection efforts taken, estimate of collectibility, write-off, disputed account, etc.)

- (a) This number is carried forward from last month's report. For the first report only, this number will be the balance as of the petition date.
- (b) This must equal the number reported in the “Current Month” column of Schedule of Receipts and Disbursements (Page MOR-2, Line 2B).
- (c) These two amounts must equal.

ATTACHMENT 2
MONTHLY ACCOUNTS PAYABLE AND SECURED PAYMENTS REPORT

Name of Debtor: MBF Inspection Services, Inc.

Case Number 18-11579-t11

Reporting Period beginning December 1, 2018

Period ending December 31, 2018

In the space below list all invoices or bills incurred and not paid since the filing of the petition. Do not include amounts owed prior to filing the petition. In the alternative, a computer generated list of payable may be attached provided all information requested below is included.

POST-PETITION ACCOUNTS PAYABLE

Date Incurred	Days Outstanding	Vendor	Description	Amount
12/14/18	18	Levene, Neale, Bender, Yoo & Brill LLP	Attorney for Ch. 11 creditors	27,178.50
12/19/18	13	United Healthcare Insurance Company	Health/dental insurance	122,421.54
12/20/18	12	Industrial Safety Training Council	Safety training	60.00
12/22/18	10	CenturyLink	Telephone	95.36
12/27/18	5	Tascosa Office Machines	Copier maintenance	43.13
12/27/18	5	Xcel Energy	Utilities	640.30
12/28/18	4	Arizona Department of Revenue	Withholding tax	527.74
12/28/18	4	Connecticut Department of Revenue	Withholding tax	248.67
12/28/18	4	Illinois Department of Revenue	Withholding tax	326.00
12/28/18	4	New York State Income Tax	Withholding tax	552.83
12/28/18	4	Pennsylvania Department of Revenue	Withholding tax	1,841.72
12/28/18	4	One America	401(k)	18,491.94
12/28/18	4	Accent Flowers	Christmas poinsettias for clients	1,157.02
12/29/18	3	A & C Enterprises of Libby, LLC	Contract labor	8,573.60
12/31/18	1	EFTPS-Internal Revenue Service	940 payment	858.88
12/31/18	1	New Mexico Dept. of Taxation & Revenue	NM workers comp	305.30
12/31/18	1	South Carolina Dept. of Employment	Withholding tax	152.60
12/31/18	1	Kansas Department of Revenue	Withholding tax	163.00
12/31/18	1	Intak Rental & Supply, LLC	UTV rental	1,541.88
12/31/18	1	Indiana Department of Workforce	Withholding tax	703.00
12/31/18	1	Jack Little	Reimbursement	202.23
12/31/18	1	Robert H. Bell	Reimbursement	341.82
12/31/18	1	Alabama Department of Revenue	Withholding tax	981.16
12/31/18	1	Colorado Department of Revenue	Withholding tax	1,181.00
12/31/18	1	Georgia Department of Revenue	Withholding tax	1,287.80
12/31/18	1	Idaho State Tax Commission	Withholding tax	353.00
12/31/18	1	Indiana Department of Revenue	Withholding tax	769.65
12/31/18	1	New Benefits, Ltd.	New Benefits	50.00
12/31/18	1	Backgrounds Online	Background checks	665.40
12/31/18	1	Pipeline Testing Consortium, Inc.	Drug testing	1,445.00
12/31/18	1	Benchmark	Rent on office copier	36.13
12/31/18	1	Missouri Department of Revenue	Withholding tax	1,408.50
12/31/18	1	Louisiana Department of Revenue	Withholding tax	3,819.53
12/31/18	1	Massachusetts Department of Revenue	Withholding tax	1,489.49
12/31/18	1	Maine State Treasurer	Withholding tax	1,208.00
12/31/18	1	Michigan Department of Revenue	Withholding tax	1,869.84
12/31/18	1	Mississippi State Tax Commission	Withholding tax	4,202.00
12/31/18	1	Oklahoma Tax Commission	Withholding tax	3,162.00
12/31/18	1	Rhode Island Department of Revenue	Withholding tax	448.32
12/31/18	1	South Carolina Department of Revenue	Withholding tax	1,572.97
12/31/18	1	Utah State Tax Commission	Withholding tax	1,290.62
12/31/18	1	Wisconsin Department of Revenue	Withholding tax	560.21
12/31/18	1	West Virginia Department of Revenue	Withholding tax	386.00
12/31/18	1	nQativ	Maintenance on accounting software	157.69
12/31/18	1	Pitney Bowes Global Financial Services	Postage machine rent	192.38
12/31/18	1	ND Office of State Tax Commissioner	Withholding tax	5,560.00
12/31/18	1	Roswell Rotary Club	Dues	225.00
12/31/18	1	Houston Area Safety Council	Safety training	300.00
TOTAL AMOUNT				<u>221,048.75</u> (b)

Check here if pre-petition debts have been paid. Attach an explanation and copies of supporting documentation.

ACCOUNTS PAYABLE RECONCILIATION (Post Petition Unsecured Debt Only)

Opening Balance	\$ 317,178.75	(a)
PLUS: New Indebtedness Incurred This Month	2,548,641.97	
MINUS: Amount Paid on Post Petition, Accounts Payable This Month	2,644,771.97	
PLUS/MINUS: Adjustments		*
Ending Month Balance	\$ 221,048.75	(c)

*For any adjustments provide explanation and supporting documentation, if applicable.

SECURED PAYMENTS REPORT

List the status of Payments to Secured Creditors and Lessors (Post Petition Only). If you have entered into a modification agreement with a secured creditor/lessor, consult with your attorney and the United States Trustee Program prior to completing this section).

Secured Creditor/ <u>Lessor</u>	Date Payment Due This <u>Month</u>	Amount Paid This <u>Month</u>	Number of Post Petition <u>Payments</u> <u>Delinquent</u>	Total Amount of Post Petition Payments <u>Delinquent</u>
<u>Inspection Leasing, Inc.</u>	<u>12/31/18</u>	<u>4,968.49</u>	<u>0</u>	<u>0</u>
TOTAL		\$ 4,968.49	(d)	

- (a) This number is carried forward from last month's report. For the first report only, this number will be zero.
- (b/c) The total of line (b) must equal line (c).
- (d) This number is reported in the "Current Month" column of Schedule of Receipts and Disbursements (Page MOR-2, Line 5N).

ATTACHMENT 3
INVENTORY AND FIXED ASSETS REPORT

Name of Debtor: MBF Inspection Services, Inc.

Case Number 18-11579-t11

Reporting Period beginning December 1, 2018

Period ending December 31, 2018

INVENTORY REPORT

INVENTORY BALANCE AT PETITION DATE:

\$ 0

INVENTORY RECONCILIATION:

Inventory Balance at Beginning of Month	\$ 0 (a)
PLUS: Inventory Purchased During Month	\$ 0
MINUS: Inventory Used or Sold	\$ 0
PLUS/MINUS: Adjustments or Write-downs	\$ 0 *

METHOD OF COSTING INVENTOR N/A

*For any adjustments or write-downs provide explanation and supporting documentation, if applicable.

INVENTORY AGING					
Less than 6 months old	6 months to 2 years old	Greater than 2 years old	Considered obsolete	Total inventory	
%	%	%	%	=	100% *

* Aging Percentages must equal 100%.

Check here if inventory contains perishable items.

Description of Obsolete Inventory:

FIXED ASSET REPORT

FIXED ASSETS FAIR MARKET VALUE AT PETITION DATE: \$ 29,881.72 (b)
 (Includes Property, Plant and Equipment)

BRIEF DESCRIPTION (First Report Only):

FIXED ASSETS RECONCILIATION:

Fixed Asset Book Value at Beginning of Month	\$ 29,592.32 (a)(b)
MINUS: Depreciation Expense	\$ 72.35
PLUS: New Purchases	\$ -
PLUS/MINUS: Adjustments or Write-downs	\$ - *
Ending Monthly Balance	\$ 29,519.97

*For any adjustments or write-downs, provide explanation and supporting documentation, if applicable.

BRIEF DESCRIPTION OF FIXED ASSETS PURCHASED OR DISPOSED OF DURING THE REPORTING PERIOD: N/A

(a) This number is carried forward from last month's report. For the first report only, this number will be the balance as of the petition date.

ATTACHMENT 4A

MONTHLY SUMMARY OF BANK ACTIVITY - OPERATING ACCOUNT

Name of Debtor: MBF Inspection Services, Inc.

Case Number: 18-11579-t11

Reporting Period beginning December 1, 2018

Period Ending December 31, 2018

Attach a copy of current month bank statement and bank reconciliation to this Summary of Bank Activity. A standard bank reconciliation form can be found at <http://www.justice.gov/ust/r20/index.htm>. If bank accounts other than the three required by the United States Trustee Program are necessary, permission must be obtained from the United States Trustee prior to opening the accounts. Additionally, use of less than the three required bank accounts must be approved by the United States Trustee.

NAME OF BANK: Bank of the Southwest BRANCH: Roswell, NM

ACCOUNT NAME: MBF Inspection Services, Inc. ACCOUNT NUMBER: 1206818

PURPOSE OF ACCOUNT: OPERATING

Ending Balance per Bank Statement	\$	6,106.71
Plus Total Amount of Outstanding Deposits		-
Minus Total Amount of Outstanding Checks and other debits		*
Minus Service Charges		-
Ending Balance per Check Register	\$	6,106.71 **(a)

*Debit cards are used by N/A

**If Closing Balance is negative, provide explanation:

The following disbursements were paid in Cash (do not includes items reported as Petty Cash on Attachment 4D): (Check here if cash disbursements were authorized by United States Trustee)

Date	Amount	Payee	Purpose	Reason for Cash Disbursement
------	--------	-------	---------	------------------------------

TRANSFERS BETWEEN DEBTOR IN POSSESSION ACCOUNTS

“Total Amount of Outstanding Checks and other debits”, listed above, includes:

\$	-	Transferred to Payroll Account
\$	-	Transferred to Tax Account

(a) The total of this line on Attachment 4A, 4B and 4C plus the total of 4D must equal the amount reported as “Ending Balance” on Schedule of Receipts and Disbursements (Page MOR-2, Line 7).

ATTACHMENT 4A

MONTHLY SUMMARY OF BANK ACTIVITY - OPERATING ACCOUNT

Name of Debtor: MBF Inspection Services, Inc.

Case Number: 18-11579-t11

Reporting Period beginning December 1, 2018

Period Ending December 31, 2018

Attach a copy of current month bank statement and bank reconciliation to this Summary of Bank Activity. A standard bank reconciliation form can be found at <http://www.justice.gov/ust/r20/index.htm>. If bank accounts other than the three required by the United States Trustee Program are necessary, permission must be obtained from the United States Trustee prior to opening the accounts. Additionally, use of less than the three required bank accounts must be approved by the United States Trustee.

NAME OF BANK: New Mexico Bank & Trust BRANCH: Albuquerque, NM

ACCOUNT NAME: MBF Inspection Services, Inc. ACCOUNT NUMBER: 9996767992

PURPOSE OF ACCOUNT: OPERATING

Ending Balance per Bank Statement	\$ <u>1,942,593.76</u>
Plus Total Amount of Outstanding Deposits	<u>-</u>
Minus Total Amount of Outstanding Checks and other debits	<u>13,206.29</u> *
Minus Service Charges	<u>-</u>
Ending Balance per Check Register	\$ <u>1,929,387.47</u> **(a)

*Debit cards are used by N/A

**If Closing Balance is negative, provide explanation:

The following disbursements were paid in Cash (do not includes items reported as Petty Cash on Attachment 4D): (Check here if cash disbursements were authorized by United States Trustee)

Date	Amount	Payee	Purpose	Reason for Cash Disbursement
------	--------	-------	---------	------------------------------

TRANSFERS BETWEEN DEBTOR IN POSSESSION ACCOUNTS

“Total Amount of Outstanding Checks and other debits”, listed above, includes:

\$	-	Transferred to Payroll Account
\$	-	Transferred to Tax Account

(a) The total of this line on Attachment 4A, 4B and 4C plus the total of 4D must equal the amount reported as “Ending Balance” on Schedule of Receipts and Disbursements (Page MOR-2, Line 7).

ATTACHMENT 5A

CHECK REGISTER - OPERATING ACCOUNT

Name of Debtor: MBF Inspection Services, Inc.

Case Number: 18-11579-t11

Reporting Period beginning December 1, 2018

Period ending December 31, 2018

NAME OF BANK: Bank of the Southwest

BRANCH: Roswell, NM

ACCOUNT NAME: MBF Inspection Services, Inc.

ACCOUNT NUMBER: 1206818

PURPOSE OF ACCOUNT: OPERATING

Account for all disbursements, including voids, lost checks, stop payments, etc. In the alternative, a computer generated check register can be attached to this report, provided all the information requested below is included.

Check					
Date	Number	Payee	Purpose	Amount	
12/03/18	25953	MBF Inspection Services	Transfer to NMBT account	130,000.00	
12/07/18	25954	MBF Inspection Services	Transfer to NMBT account	75,000.00	
12/10/18	25955	MBF Inspection Services	Transfer to NMBT account	60,000.00	
12/11/18	25956	MBF Inspection Services	Transfer to NMBT account	385,000.00	
12/12/18	25957	MBF Inspection Services	Transfer to NMBT account	40,000.00	
12/13/18	25958	MBF Inspection Services	Transfer to NMBT account	120,000.00	
12/14/18	25959	MBF Inspection Services	Transfer to NMBT account	50,000.00	
12/20/18	25960	MBF Inspection Services	Transfer to NMBT account	60,000.00	
12/21/18	25961	MBF Inspection Services	Transfer to NMBT account	30,000.00	
12/27/18	25962	MBF Inspection Services	Transfer to NMBT account	481,500.00	
12/28/18	25963	MBF Inspection Services	Transfer to NMBT account	100,000.00	
12/04/18	EFT	Bank of the Southwest	Bank service charge	3.80	
					<hr/> <hr/> 1,531,503.80

ATTACHMENT 5A

CHECK REGISTER - OPERATING ACCOUNT

Name of Debtor: MBF Inspection Services, Inc.

Case Number: 18-11579-t11

Reporting Period beginning December 1, 2018

Period ending December 31, 2018

NAME OF BANK: New Mexico Bank & Trust

BRANCH: Roswell, NM

ACCOUNT NAME: MBF Inspection Services, Inc.

ACCOUNT NUMBER: 9996767992

PURPOSE OF ACCOUNT: OPERATING

Account for all disbursements, including voids, lost checks, stop payments, etc. In the alternative, a computer generated check register can be attached to this report, provided all the information requested below is included.

<u>Date</u>	<u>Check Number</u>	<u>Payee</u>	<u>Purpose</u>	<u>Amount</u>
12/07/18	EFT	A & C Enterprises of Libby, LLC	Contract Labor	9,474.04
12/21/18	EFT	A & C Enterprises of Libby, LLC	Contract Labor	9,298.38
12/14/18	280	Liberty Mutual Insurance	Insurance	2,701.78
12/07/18	EFT	Inspection Leasing, Inc.	Leases	12,428.66
12/14/18	273	Alpha-Omega Printing	Office supplies	65.67
12/20/18	EFT	American Express	Office supplies	949.26
12/07/18	268	George Charboneau	Reimbursement	164.39
12/18/18	EFT	Jack Little	Reimbursement	53.02
12/07/18	272	Nice Ice Co.	Water delivery service	57.67
12/21/18	287	Nice Ice Co.	Water delivery service	42.94
12/04/18	EFT	One America	401k	19,282.74
12/11/18	EFT	One America	401k	13,535.08
12/18/18	EFT	One America	401k	21,938.30
12/24/18	EFT	One America	401k	13,535.72
12/07/18	269	Intak Rental & Supply, LLC	UTV rental	1,541.88
12/03/18	EFT	Expert Pay	Child support	1,211.04
12/10/18	EFT	Expert Pay	Child support	941.41
12/17/18	EFT	Expert Pay	Child support	846.89
12/24/18	EFT	Expert Pay	Child support	1,156.60
12/28/18	EFT	Expert Pay	Child support	846.89
12/20/18	EFT	American Express	Dues	890.12
12/31/18	294	Credit Acceptance Corporation	Employee garnishment	1,029.98
12/01/18	256	United Healthcare Insurance Company	Insurance	2,235.60
12/03/18	EFT	United Healthcare Insurance Company	Insurance	128,959.47
12/07/18	EFT	United Healthcare Insurance Company	Insurance	14.98
12/27/18	293	United Healthcare Insurance Company	Insurance	2,380.50
12/21/18	286	LifeLock	Lifelock	213.32

12/07/18	271	New Benefits, Ltd.	New Benefits	50.00
12/20/18	EFT	American Express	Postage	443.13
12/20/18	EFT	American Express	Prepayment on credit card	3,000.00
12/07/18	EFT	Bobby Carroll	Printing/mailing claimant notices	4,733.76
12/07/18	265	Backgrounds Online	Background checks	591.70
12/21/18	285	DISA, Inc.	Safety training	372.00
12/21/18	288	Pipeline Testing Consortium, Inc.	Drug testing	935.00
12/27/18	291	San Juan College	Safety training	185.00
12/14/18	274	B.L.F. LLC	Legal/professional fees	21,642.13
12/14/18	275	Bean & Associates	Legal/professional fees	1,512.23
12/27/18	289	Hinkle Shanor LLP	Legal/professional fees	323.50
12/14/18	279	J. Edward Hollington	Legal/professional fees	809.06
12/07/18	270	Lane Alton Horst LLC	Legal/professional fees	32,117.93
12/07/18	EFT	MBF Management Systems, Inc.	Legal/professional fees	8,626.66
12/07/18	266	Benchmark	Copier rent	34.84
12/20/18	EFT	American Express	Repairs & Maintenance	82.93
12/14/18	276	Bob Reed Pest Control	Repairs & Maintenance	172.53
12/14/18	278	Emerald Lawn & Sprinkler LLC	Repairs & Maintenance	75.48
12/07/18	EFT	Genevas Cleaning Service	Repairs & Maintenance	1,315.53
12/28/18	EFT	Genevas Cleaning Service	Repairs & Maintenance	1,643.95
12/14/18	283	nQativ	Repairs & Maintenance	1,668.12
12/27/18	292	Tascosa Office Machines	Repairs & Maintenance	94.59
12/31/18	EFT	Inspection Leasing, Inc.	Secured Creditor Payments	4,968.49
12/24/18	EFT	New Mexico Dept. of Taxation & Revenue	Taxes Paid - Payroll	37,701.03
12/04/18	EFT	Arizona Department of Revenue	Taxes Paid - Payroll	537.39
12/11/18	EFT	Arizona Department of Revenue	Taxes Paid - Payroll	377.96
12/19/18	EFT	Arizona Department of Revenue	Taxes Paid - Payroll	527.74
12/24/18	EFT	Arizona Department of Revenue	Taxes Paid - Payroll	442.29
12/11/18	EFT	California Employment Dev. Dept.	Taxes Paid - Payroll	430.77
12/24/18	EFT	California Employment Dev. Dept.	Taxes Paid - Payroll	863.03
12/06/18	EFT	Colorado Department of Revenue	Taxes Paid - Payroll	982.33
12/05/18	EFT	Connecticut Department of Revenue	Taxes Paid - Payroll	260.61
12/19/18	EFT	Connecticut Department of Revenue	Taxes Paid - Payroll	248.67
12/03/18	EFT	EFTPS-Internal Revenue Service	Taxes Paid - Payroll	143,443.55
12/10/18	EFT	EFTPS-Internal Revenue Service	Taxes Paid - Payroll	109,078.42
12/17/18	EFT	EFTPS-Internal Revenue Service	Taxes Paid - Payroll	131,162.23
12/24/18	EFT	EFTPS-Internal Revenue Service	Taxes Paid - Payroll	133,799.17
12/31/18	EFT	EFTPS-Internal Revenue Service	Taxes Paid - Payroll	137,742.31
12/06/18	EFT	Georgia Department of Revenue	Taxes Paid - Payroll	2,056.07
12/06/18	EFT	Idaho State Tax Commission	Taxes Paid - Payroll	519.00
12/05/18	EFT	Illinois Department of Revenue	Taxes Paid - Payroll	52.72
12/20/18	EFT	Illinois Department of Revenue	Taxes Paid - Payroll	297.74
12/06/18	EFT	Indiana Department of Revenue	Taxes Paid - Payroll	598.15
12/06/18	EFT	Kansas Department of Revenue	Taxes Paid - Payroll	163.00
12/19/18	EFT	Kansas Department of Revenue	Taxes Paid - Payroll	112.00
12/07/18	EFT	Louisiana Department of Revenue	Taxes Paid - Payroll	4,967.96
12/07/18	EFT	Maine State Treasurer	Taxes Paid - Payroll	1,759.00
12/06/18	EFT	Massachusetts Department of Revenue	Taxes Paid - Payroll	2,851.57
12/07/18	EFT	Michigan Department of Revenue	Taxes Paid - Payroll	3,261.75
12/07/18	EFT	Mississippi State Tax Commission	Taxes Paid - Payroll	7,030.00
12/10/18	EFT	Missouri Department of Revenue	Taxes Paid - Payroll	2,508.50

12/12/18	EFT	Montana Department of Revenue	Taxes Paid - Payroll	1,024.00
12/26/18	EFT	Montana Department of Revenue	Taxes Paid - Payroll	1,418.00
12/05/18	EFT	New York State Income Tax	Taxes Paid - Payroll	566.10
12/19/18	EFT	New York State Income Tax	Taxes Paid - Payroll	552.83
12/10/18	EFT	Oklahoma Tax Commission	Taxes Paid - Payroll	4,914.00
12/12/18	EFT	Oregon Department of Revenue	Taxes Paid - Payroll	255.00
12/26/18	EFT	Oregon Department of Revenue	Taxes Paid - Payroll	255.00
12/05/18	EFT	Pennsylvania Department of Revenue	Taxes Paid - Payroll	2,167.73
12/12/18	EFT	Pennsylvania Department of Revenue	Taxes Paid - Payroll	493.53
12/19/18	EFT	Pennsylvania Department of Revenue	Taxes Paid - Payroll	1,815.97
12/26/18	EFT	Pennsylvania Department of Revenue	Taxes Paid - Payroll	558.98
12/07/18	EFT	Rhode Island Department of Revenue	Taxes Paid - Payroll	672.48
12/07/18	EFT	Utah State Tax Commission	Taxes Paid - Payroll	1,350.77
12/11/18	EFT	West Virginia Department of Revenue	Taxes Paid - Payroll	1,479.00
12/10/18	EFT	Wisconsin Department of Revenue	Taxes Paid - Payroll	781.69
12/24/18	EFT	New Mexico Dept. of Taxation & Revenue	Taxes Paid - Sales & Use	32,796.99
12/20/18	EFT	American Express	Telephone	906.93
12/14/18	277	Cable One	Telephone	485.24
12/17/18	EFT	Cable One	Telephone	485.24
12/07/18	267	CenturyLink	Telephone	94.35
12/24/18	EFT	CenturyLink	Telephone	609.81
12/27/18	EFT	CenturyLink	Telephone	666.33
12/18/18	EFT	Jack Little	Telephone	173.35
12/27/18	290	MegaPath	Telephone	306.99
12/20/18	EFT	American Express	Travel & Entertainment	1,489.06
12/18/18	EFT	Jack Little	Travel & Entertainment	124.74
12/07/18	264	Allied Digital Security, Inc.	Utilities	37.49
12/14/18	282	New Mexico Gas Company	Utilities	73.70
12/12/18	EFT	Xcel Energy	Utilities	474.08
12/20/18	EFT	American Express	Vehicle	1,268.94
12/04/18	EFT	Payroll Summary - Cash	Payroll	1,165.96
12/14/18	EFT	Payroll Summary - Cash	Payroll	130,542.39
12/28/18	EFT	Payroll Summary - Cash	Payroll	144,613.18
12/07/18	EFT	Payroll Summary - Cash	Payroll	54,729.39
12/21/18	EFT	Payroll Summary - Cash	Payroll	71,654.09
12/07/18	EFT	Payroll Summary - Cash	Payroll	458,704.22
12/21/18	EFT	Payroll Summary - Cash	Payroll	538,612.76
12/10/18	EFT	Payroll Summary - Cash	Payroll	680.00
12/21/18	EFT	Payroll Summary - Cash	Payroll	308.18
12/14/18	EFT	Payroll Summary - Cash	Payroll	437,271.06
12/28/18	EFT	Payroll Summary - Cash	Payroll	412,435.88
12/28/18	EFT	Payroll Summary - Cash	Payroll	4,256.37
12/14/18	EFT	Payroll Summary - Cash	Payroll	99,589.20
12/28/18	EFT	Payroll Summary - Cash	Payroll	120,860.59
				3,588,691.44

ATTACHMENT 4B

MONTHLY SUMMARY OF BANK ACTIVITY - PAYROLL ACCOUNT

Name of Debtor: MBF Inspection Services, Inc. Case Number: 18-11579-t11

Reporting Period beginning December 1, 2018 Period ending December 31, 2018

Attach a copy of current month bank statement and bank reconciliation to this Summary of Bank Activity.
A standard bank reconciliation form can be found at <http://www.justice.gov/ust/r20/index.htm>.

NAME OF BANK: _____ BRANCH: _____

ACCOUNT NAME: _____ ACCOUNT NUMBER: _____

PURPOSE OF ACCOUNT: PAYROLL

Ending Balance per Bank Statement	\$
Plus Total Amount of Outstanding Deposits	\$
Minus Total Amount of Outstanding Checks and other debits	\$
Minus Service Charges	\$
Ending Balance per Check Register	\$

*
**(a)

***Debit cards must not be issued on this account.**

****If Closing Balance is negative, provide explanation:**

The following disbursements were paid by Cash: (Check here if cash disbursements were authorized by United States Trustee)

Date	Amount	Payee	Purpose	Reason for Cash Disbursement
_____	_____			
_____	_____			
_____	_____			

The following non-payroll disbursements were made from this account:

Date	Amount	Payee	Purpose	Reason for disbursement from this account
_____	_____			
_____	_____			
_____	_____			
_____	_____			

(a)The total of this line on Attachment 4A, 4B and 4C plus the total of 4D must equal the amount reported as "Ending Balance" on Schedule of Receipts and Disbursements (Page MOR-2, Line 7).

ATTACHMENT 5B

CHECK REGISTER - PAYROLL ACCOUNT

Name of Debtor: MBF Inspection Services, Inc. Case Number: 18-11579-t11
Reporting Period beginning December 1, 2018 Period ending December 31, 2018

NAME OF BANK: _____ BRANCH: _____

ACCOUNT NAME:

ACCOUNT NUMBER:

PURPOSE OF ACCOUNT: PAYROLL

Account for all disbursements, including voids, lost payments, stop payment, etc. In the alternative, a computer generated check register can be attached to this report, provided all the information requested below is included.

ATTACHMENT 4C

MONTHLY SUMMARY OF BANK ACTIVITY - TAX ACCOUNT

Name of Debtor: MBF Inspection Services, Inc.

Case Number: 18-11579-t11

Reporting Period beginning December 1, 2018

Period ending December 31, 2018

Attach a copy of current month bank statement and bank reconciliation to this Summary of Bank Activity. A standard bank reconciliation form can be found on the United States Trustee website,
<http://www.justice.gov/ust/r20/index.htm>.

NAME OF BANK: _____

BRANCH: _____

ACCOUNT NAME: _____

ACCOUNT NUMBER: _____

PURPOSE OF ACCOUNT: TAX

Ending Balance per Bank Statement	\$	
Plus Total Amount of Outstanding Deposits	\$	
Minus Total Amount of Outstanding Checks and other debits	\$	*
Minus Service Charges	\$	
Ending Balance per Check Register	\$	**(a)

***Debit cards must not be issued on this account.**

****If Closing Balance is negative, provide explanation:**

The following disbursements were paid by Cash: (Check here if cash disbursements were authorized by
United States Trustee)

Date	Amount	Payee	Purpose	Reason for Cash Disbursement
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

The following non-tax disbursements were made from this account:

Date	Amount	Payee	Purpose	Reason for disbursement from this account
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

(a)The total of this line on Attachment 4A, 4B and 4C plus the total of 4D must equal the amount reported as
“Ending Balance” on Schedule of Receipts and Disbursements (Page MOR-2, Line 7).

ATTACHMENT 5C

CHECK REGISTER - TAX ACCOUNT

Name of Debtor: MBF Inspection Services, Inc. Case Number: 18-11579-t11

Reporting Period beginning December 1, 2018 Period ending December 31, 2018

Reporting Period beginning _____ Period ending _____

NAME OF BANK: _____ **BRANCH:** _____

ACCOUNT NAME: _____ ACCOUNT # _____

PURPOSE OF ACCOUNT: TAX

Account for all disbursements, including voids, lost checks, stop payments, etc. In the alternative, a computer-generated check register can be attached to this report, provided all the information requested below is included.

Payroll Taxes Paid	_____	(a)
Sales & Use Taxes Paid	_____	(b)
Other Taxes Paid	_____	(c)
TOTAL	_____	(d)

- (a) This number is reported in the “Current Month” column of Schedule of Receipts and Disbursements (Page MOR-2, Line 5O).
- (b) This number is reported in the “Current Month” column of Schedule or Receipts and Disbursements (Page MOR-2, Line 5P).
- (c) This number is reported in the “Current Month” column of Schedule of Receipts and Disbursements (Page MOR-2, Line 5Q).
- (d) These two lines must be equal.

ATTACHMENT 4D
INVESTMENT ACCOUNTS AND PETTY CASH REPORT

INVESTMENT ACCOUNTS

Each savings and investment account, i.e. certificates of deposits, money market accounts, stocks and bonds, etc., should be listed separately. Attach copies of account statements.

Type of Negotiable

Instrument	Face Value	Purchase Price	Date of Purchase	Current Market Value
TOTAL				_____ (a)

PETTY CASH REPORT

The following Petty Cash Drawers/Accounts are maintained:

Location of Box/Account	(Column 2) Maximum Amount of Cash in Drawer/Acct.	(Column 3) Amount of Petty Cash On Hand At End of Month	(Column 4) Difference between (Column 2) and (Column 3)
TOTAL		\$ _____	(b)

For any Petty Cash Disbursements over \$100 per transaction, attach copies of receipts. If there are no receipts, provide an explanation

**TOTAL INVESTMENT ACCOUNTS AND PETTY CASH(a + b) \$
(c)**

(c) The total of this line on Attachment 4A, 4B and 4C plus the total of 4D must equal the amount reported as "Ending Balance" on Schedule of Receipts and Disbursements (Page MOR-2, Line 7).

ATTACHMENT 6

MONTHLY TAX REPORT

Name of Debtor: MBF Inspection Services, Inc.

Case Number: 18-11579-t11

Reporting Period beginning December 1, 2018

Period ending December 31, 2018

TAXES OWED AND DUE

Report all unpaid post-petition taxes including Federal and State withholding FICA, State sales tax, property tax, unemployment tax, State workmen's compensation, etc.

Name of Taxing Authority	Date Payment <u>Due</u>	Description	Amount	Date Last Tax Return <u>Filed</u>	Tax Return <u>Period</u>
NM Taxation and Revenue Department	01/25/19	NM withholding tax	24,200.11	12/25/18	12/01-12/31/18
Ohio Treasurer of State	01/31/19	OH withholding tax	12,448.57	10/31/18	10/01-12/31/18
Pennsylvania Department of Revenue	01/31/19	Local Pennsylvania tax	623.18	10/31/18	10/01-12/31/18
NM Taxation and Revenue Department	01/25/19	NM sales tax	69,213.59	12/25/18	12/01-12/31/18
Idaho Department of Labor	01/31/19	Unemployment due for 4th quarter	82.41	10/31/18	10/01-12/31/18
Louisiana Workforce Commission	01/31/19	Unemployment due for 4th quarter	104.64	10/31/18	10/01-12/31/18
Massachusetts Labor & Workforce Develop.	01/31/19	Unemployment due for 4th quarter	1,989.10	10/31/18	10/01-12/31/18
Maine State Treasurer	01/31/19	Unemployment due for 4th quarter	230.40	10/31/18	10/01-12/31/18
Mississippi Dept. of Employment Security	01/31/19	Unemployment due for 4th quarter	21.00	10/31/18	10/01-12/31/18
NM Department of Workforce Solutions	01/31/19	Unemployment due for 4th quarter	8,038.64	10/31/18	10/01-12/31/18
NYS Unemployment Insurance	01/31/19	Unemployment due for 4th quarter	35.10	10/31/18	10/01-12/31/18
North Dakota Job Services	01/31/19	Unemployment due for 4th quarter	1,537.78	10/31/18	10/01-12/31/18
Ohio Dept. of Job & Family Services	01/31/19	Unemployment due for 4th quarter	5,226.39	10/31/18	10/01-12/31/18
Pennsylvania Dept. of Labor & Industry	01/31/19	Unemployment due for 4th quarter	644.17	10/31/18	10/01-12/31/18
Texas Workforce Commission	01/31/19	Unemployment due for 4th quarter	3,458.17	10/31/18	10/01-12/31/18
Washington Dept. of Employment Security	01/31/19	Unemployment due for 4th quarter	113.24	10/31/18	10/01-12/31/18
Wyoming Department of Employment	01/31/19	Unemployment due for 4th quarter	1,841.70	10/31/18	10/01-12/31/18
TOTAL			\$129,808.19		

ATTACHMENT 7

SUMMARY OF OFFICER OR OWNER COMPENSATION

SUMMARY OF PERSONNEL AND INSURANCE COVERAGES

Name of Debtor: MBF Inspection Services, Inc.

Case Number: 18-11579-t11

Reporting Period beginning December 1, 2018

Report ending December 31, 2018

Report all forms of compensation received by or paid on behalf of the Officer or Owner during the month. Include car allowances, payments to retirement plans, loan repayments, payments of Officer/Owner's personal expenses, insurance premium payments, etc. Do not include reimbursement for business expenses Officer or Owner incurred and for which detailed receipts are maintained in the accounting records.

<u>Name of Officer or Owner</u>	<u>Title</u>	<u>Payment Description</u>	<u>Amount Paid</u>
<u>Frank Sturges</u>	<u>President</u>	<u>Salary</u>	<u>8,653.85</u>
		<u>Auto usage pay</u>	<u>187.50</u>
		<u>Employer 401(k) match</u>	<u>353.65</u>
<u>Mark Daniels</u>	<u>Vice President</u>	<u>Salary</u>	<u>8,061.85</u>
		<u>Auto usage pay</u>	<u>226.00</u>
		<u>Employer 401(k) match</u>	<u>331.51</u>

PERSONNEL REPORT

	<u>Full time</u>	<u>Part time</u>
Number of employees at beginning of period	<u>212</u>	<u>0</u>
Number hired during the period	<u>20</u>	<u>0</u>
Number terminated or resigned during period	<u>14</u>	<u>0</u>
Number of employees on payroll at end of period	<u>218</u>	<u>0</u>

CONFIRMATION OF INSURANCE

List all policies of insurance in effect, including but not limited to workers' compensation, liability, fire, theft, comprehensive, vehicle, health and life. For the first report, attach a copy of the declaration sheet for each type of insurance. For subsequent reports, attach a certificate of insurance for any policy in which a change occurs during the month (new carrier, increased policy limits, renewal, etc.).

<u>Agent and/or Carrier</u>	<u>Phone Number</u>	<u>Coverage Type</u>	<u>Expiration Date</u>	<u>Premium Due</u>
Liberty Mutual	800-290-7841	Work Comp & Bus. Auto	04/01/19	04/01/19
Landmark American	404-231-2366	Excess Liability	04/01/19	04/01/19
Indian Harbor	203-964-5200	General Liability	04/01/19	04/01/19
Landmark American	404-231-2366	Environmental Combo	04/01/19	04/01/19
UHC	866-414-1959	Medical, Dental & Life	12/31/18	01/01/19
WSI ND	800-777-5033	ND Worker's Comp	12/31/18	01/01/19

The following lapse in insurance coverage occurred this month:

<u>Policy Type</u>	<u>Date Lapsed</u>	<u>Date Reinstated</u>	<u>Reason for Lapse</u>

Check here if U. S. Trustee has been listed as Certificate Holder for all insurance policies.

ATTACHMENT 8

SIGNIFICANT DEVELOPMENTS DURING REPORTING PERIOD

Information to be provided on this page, includes, but is not limited to: (1) financial transactions that are not reported on this report, such as the sale of real estate (***attach closing statement***); (2) non-financial transactions, such as the substitution of assets or collateral; (3) modifications to loan agreements; (4) change in senior management, etc. Attach any relevant documents.

We anticipate filing a Plan of Reorganization and Disclosure Statement on or before _____.

MBF Inspection Services, Inc.**Balance Sheet****As of December 31, 2018****ASSETS****Current Assets**

Cash - Bank of the Southwest DIP Account	\$ 6,107
Cash - New Mexico Bank & Trust DIP Account	1,929,387
Certificate of Deposit - Valley Bank of Commerce	250,516
Certificate of Deposit - Wells Fargo Bank	263,902
Accounts Receivable	3,551,398
Earned but Unbilled Revenues	738,167
Other Receivables	771
Prepaid Expenses	314,408
Due From Related Parties	-
<i>Total Current Assets</i>	<i>7,054,656</i>

Property and Equipment

Fixed Assets	34,729
Accumulated Depreciation	(5,282)
<i>Net Property and Equipment</i>	<i>29,448</i>

Other Assets

Refundable Deposits	-
Total Assets	\$ 7,084,103

LIABILITIES AND STOCKHOLDERS' EQUITY**Current Liabilities**

Accounts Payable	\$ 221,224
Accrued Liabilities	1,312,238
Line of Credit - Inspection Leasing, Inc.	975,000
Current Portion of Long-Term Debt	250,955
Due to Related Parties	-
<i>Total Current Liabilities</i>	<i>2,759,418</i>

Long-Term Liabilities

Long Term Debt - Net of Current Portion	-
<i>Total Liabilities</i>	<i>2,759,418</i>

Stockholders' Equity

Capital Stock	1,000
Additional Paid in Capital	-
Retained Earnings	4,323,686
<i>Total Stockholders' Equity</i>	<i>4,324,686</i>
Total Liabilities and Stockholders' Equity	\$ 7,084,103

The accompanying balance sheet of MBF Inspection Services, Inc. as of December 31, 2018 and the related statements of income, changes in stockholders' equity, and cash flows for the twelve months then ended have been prepared by Bobby D. Carroll, CPA. I have prepared such financial information in my capacity as Controller of MBF Inspection Services, Inc.

MBF Inspection Services, Inc.
Statement of Income
For the Twelve Months Ended December 31, 2018

		% of Sales	% of Labor
Revenue from Operations			
Sales, net of returns & allowances of	\$ 580,079	100.00%	183.47%
Other operating income	-	0.00%	0.00%
<i>Total Revenue from Operations</i>	<i>55,372,319</i>	<i>100.00%</i>	<i>183.47%</i>
Direct Costs and Expenses			
Billable Reimbursements	1,160,375	2.10%	3.84%
Contract Labor	48,654	0.09%	0.16%
Employee Benefits	1,075,172	1.94%	3.56%
Insurance	877,929	1.59%	2.91%
Labor	30,180,315	54.50%	100.00%
Mileage	3,266,009	5.90%	10.82%
Non-Billable Reimbursements	9,281	0.02%	0.03%
Payroll Taxes	2,420,702	4.37%	8.02%
Per Diem	12,593,109	22.74%	41.73%
Drug testing, safety, and training costs and expenses	266,863	0.48%	0.88%
<i>Total Direct Costs and Expenses</i>	<i>51,898,410</i>	<i>93.73%</i>	<i>171.96%</i>
Gross Profit	\$ 3,473,909	6.27%	11.51%
Other operating costs and expenses			
Advertising	7,557	0.01%	0.03%
Bank Charges	5,121	0.01%	0.02%
Bad Debt Expense	-	0.00%	0.00%
Car & Truck Expense	11,902	0.02%	0.04%
Charitable Contributions	6,720	0.01%	0.02%
Depreciation	868	0.00%	0.00%
Dues & Subscriptions	27,851	0.05%	0.09%
Employee Benefits	84,523	0.15%	0.28%
Insurance	-	0.00%	0.00%
Interest	72,575	0.13%	0.24%
Legal & Professional Fees	573,292	1.04%	1.90%
Meals & Entertainment	8,946	0.02%	0.03%
Office Expense	29,860	0.05%	0.10%
Penalties & Fines	990	0.00%	0.00%
Political Contributions	-	0.00%	0.00%
Promotional Expense	-	0.00%	0.00%
Rent	243,830	0.44%	0.81%
Repairs & Maintenance	59,223	0.11%	0.20%
Salaries & Wages	1,541,070	2.78%	5.11%
Supplies	14,633	0.03%	0.05%
Taxes	132,976	0.24%	0.44%
Telephone	29,458	0.05%	0.10%
Travel	38,003	0.07%	0.13%
Utilities	11,128	0.02%	0.04%
<i>Total Other Operating Costs and Expenses</i>	<i>2,900,529</i>	<i>5.24%</i>	<i>9.61%</i>
Income/(Loss) from Operations	573,381	1.04%	1.90%
Other Income and (Expenses)			
Dividend Income	-	0.00%	0.00%
Interest Income	591	0.00%	0.00%
Miscellaneous Expense	(156,253)	-0.28%	-0.52%
Miscellaneous Income	1,271	0.00%	0.00%
Rental Income	3,750	0.01%	0.01%
Reconciliation Discrepancies	(0)	0.00%	0.00%
Sales of Assets (Gain)/Loss	-	0.00%	0.00%
<i>Total Other Income and (Expenses)</i>	<i>(150,641)</i>	<i>-0.27%</i>	<i>-0.50%</i>
Net Income/(Loss)	\$ 422,739	0.76%	1.40%

The accompanying balance sheet of MBF Inspection Services, Inc. as of December 31, 2018 and the related statements of income, changes in stockholders' equity, and cash flows for the twelve months then ended have been prepared by Bobby D. Carroll, CPA. I have prepared such financial information in my capacity as Controller of MBF Inspection Services, Inc.



Page:
Account #:

1 of 4

MBF INSPECTION SERVICES, INC
P O BOX 2428
ROSWELL NM 88202

12/31/2018

CYCLE-007

*** CHECKING *** COMMERCIAL CHECKING

Beginning balance on December 01, 2018	\$ 131,876.97
Total Deposits and Credits: 54	+ 1,405,733.54
Total Checks and Debits: 13	- 1,531,503.80
Ending balance on December 31, 2018	\$ 6,106.71
Number of days in this statement period: 30	

Account Transactions

Date	Description	DEBITS	CREDITS
12/03	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		4,514.75
12/04	SALES TAX .28		
12/04	ACCOUNT ANALYSIS CHARGE 3.52		
12/05	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		229.28
12/05	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		1,192.62
12/06	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		10,783.28
12/06	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		15,969.48
12/06	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		34,850.17
12/07	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		2,883.63
12/07	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		3,596.26
12/07	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		4,023.71
12/10	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		243.55
12/10	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		55,915.02
12/11	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		1,202.36
12/11	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		1,642.46
12/11	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		6,569.84
12/11	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		149,214.27
12/11	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		226,443.40



Account Transactions

Date	Description	DEBITS	CREDITS
	A*00*NV *00*NV		
12/12	AC-SPECTRA ENERGY -PAYMENTSIS	14,976.61	
	A*00*NV *00*NV		
12/12	AC-SPECTRA ENERGY -PAYMENTSIS	25,832.00	
	A*00*NV *00*NV		
12/13	AC-SPECTRA ENERGY -PAYMENTSIS	1,803.54	
	A*00*NV *00*NV		
12/13	AC-SPECTRA ENERGY -PAYMENTSIS	6,699.10	
	A*00*NV *00*NV		
12/13	AC-SPECTRA ENERGY -PAYMENTSIS	11,336.76	
	A*00*NV *00*NV		
12/13	AC-SPECTRA ENERGY -PAYMENTSIS	50,025.68	
	A*00*NV *00*NV		
12/13	AC-SPECTRA ENERGY -PAYMENTSIS	51,279.29	
	A*00*NV *00*NV		
12/14	AC-SPECTRA ENERGY -PAYMENTSIS	876.32	
	A*00*NV *00*NV		
12/14	AC-SPECTRA ENERGY -PAYMENTSIS	7,112.91	
	A*00*NV *00*NV		
12/14	AC-SPECTRA ENERGY -PAYMENTSIS	16,401.42	
	A*00*NV *00*NV		
12/14	AC-SPECTRA ENERGY -PAYMENTSIS	24,618.63	
	A*00*NV *00*NV		
12/19	AC-SPECTRA ENERGY -PAYMENTSIS	144.55	
	A*00*NV *00*NV		
12/19	AC-SPECTRA ENERGY -PAYMENTSIS	270.28	
	A*00*NV *00*NV		
12/19	AC-SPECTRA ENERGY -PAYMENTSIS	27,997.25	
	A*00*NV *00*NV		
12/20	AC-SPECTRA ENERGY -PAYMENTSIS	3,212.15	
	A*00*NV *00*NV		
12/20	AC-SPECTRA ENERGY -PAYMENTSIS	12,204.75	
	A*00*NV *00*NV		
12/20	AC-SPECTRA ENERGY -PAYMENTSIS	12,621.41	
	A*00*NV *00*NV		
12/20	AC-SPECTRA ENERGY -PAYMENTSIS	14,510.51	
	A*00*NV *00*NV		
12/21	AC-SPECTRA ENERGY -PAYMENTSIS	178.65	
	A*00*NV *00*NV		
12/21	AC-SPECTRA ENERGY -PAYMENTSIS	21,877.48	
	A*00*NV *00*NV		
12/24	AC-SPECTRA ENERGY -PAYMENTSIS	1,202.36	
	A*00*NV *00*NV		
12/24	AC-SPECTRA ENERGY -PAYMENTSIS	1,642.46	
	A*00*NV *00*NV		
12/24	AC-SPECTRA ENERGY -PAYMENTSIS	5,472.22	
	A*00*NV *00*NV		
12/24	AC-SPECTRA ENERGY -PAYMENTSIS	6,569.84	
	A*00*NV *00*NV		
12/24	AC-SPECTRA ENERGY -PAYMENTSIS	16,147.07	
	A*00*NV *00*NV		
12/24	AC-SPECTRA ENERGY -PAYMENTSIS	128,704.55	
	A*00*NV *00*NV		
12/24	AC-SPECTRA ENERGY -PAYMENTSIS	219,642.58	
	A*00*NV *00*NV		



Account Transactions

Date	Description	DEBITS	CREDITS
12/26	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		61.50
12/26	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		466.81
12/26	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		9,521.73
12/26	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		62,897.96
12/26	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		70,470.38
12/27	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		205.00
12/27	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		17,266.93
12/28	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		3,497.15
12/28	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		13,922.23
12/28	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		24,594.40
12/31	AC-SPECTRA ENERGY -PAYMENTSIS A*00*NV *00*NV		195.00

Check Transactions

Serial	Date	Amount	Serial	Date	Amount	Serial	Date	Amount
5968	12/11	60,000.00	25970	12/13	40,000.00	25974	12/24	30,000.00
25966 *	12/04	130,000.00	25971	12/14	120,000.00	25975	12/28	481,500.00
25967	12/10	75,000.00	25972	12/17	50,000.00	25976	12/31	100,000.00
25969 *	12/12	385,000.00	25973	12/21	60,000.00			

* Denotes skip in check sequence

Balance By Date

Date	Balance	Date	Balance	Date	Balance	Date	Balance
11/30	131,876.97	12/03	136,391.72	12/04	6,387.92	12/05	7,809.82
12/06	69,412.75	12/07	79,916.35	12/10	61,074.92	12/11	386,147.25
12/12	41,955.86	12/13	123,100.23	12/14	52,109.51	12/17	2,109.51
12/19	30,521.59	12/20	73,070.41	12/21	35,126.54	12/24	384,507.62
12/26	527,926.00	12/27	545,397.93	12/28	105,911.71	12/31	6,106.71

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MBF INSPECTION SERVICES
PO BOX 2428
ROSWELL NM 88202-2428

*****992
PAGE NUMBER 1
STATEMENT DATE 12-31-18
ENC 36

*	ACCOUNT TYPE:	BUSINESS ANALYSIS CHECKING
*	ACCOUNT NUMBER:	*****992
BEGINNING BALANCE 11-30-18		1,446,439.38
+ DEPOSITS AND OTHER CREDITS		4,102,573.49
- CHECKS AND OTHER WITHDRAWALS		3,606,419.11
- SERVICE FEES		.00
ENDING BALANCE 12-31-18		1,942,593.76

DEPOSITS AND OTHER CREDITS		
DATE	DESCRIPTION	AMOUNT
12/03/18	E-DEPOSIT	186,877.45
12/04/18	ALLEGIS GLOBAL S CORP PYMNT MBF INSPECTION S APXXXXX8240	262,331.81
12/04/18	CONTINENTAL RES 0000329317 MBF INSPECTION SERVICE 2000300444	14,214.72
12/04/18	OCCIDENTAL PAYMENTS MBF INSPECTION SERVICE 20970803-001172	6,434.28
12/04/18	Cimarex Energy C EDI PYMNTS MBF INSPECTION SERVICE 0002478667	22,025.61
12/04/18	BAYOU BRIDGE P/L EDI PYMNTS MBF INSPECTION SVCS IN 464 5100001658	45,545.93
12/05/18	CHEVRON 0966 PO/REMIT REF*TN*0025741021\	6,573.58
12/05/18	KINDER MORGAN AP AP PAYMENT MBF INSPECTION SERVICE KMI -XXXXX1000	37,445.87
12/06/18	E-DEPOSIT	26,051.80
12/06/18	COG OPERATING LL ACHOUT INSPECTION LEASING INC 060464	34,902.14
12/06/18	LUCID ARTESIA CO Payment MBF INSPECTION SERVICE 560179	3,963.16
12/07/18	E-DEPOSIT	75,000.00
12/07/18	E-DEPOSIT	37,457.82
12/07/18	CHEVRON 0966 PO/REMIT REF*TN*0025743400\	28,114.37
12/07/18	CITGO PETROLEUM CITGO 81505	8,619.53
12/07/18	CITGO PETROLEUM CITGO 81506	9,569.90
12/07/18	EXPERIS IT SERV TAPFIN MBF INSPECTION LEASING 0000024988	24,600.51
12/07/18	OASIS PIPE LINE EDI PYMNTS MBF INSPECTION SVCS IN 479 5100020003	5,772.80
12/07/18	ANDEAVOR LOGISTI 1000432414 RMR*IK*81504\	5,505.66
12/07/18	ANDEAVOR LOGISTI 1000432414 RMR*IK*81502\	6,231.40
12/07/18	Cimarex Energy C EDI PYMNTS	495.00

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MBF INSPECTION SERVICES
PO BOX 2428
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*****992
PAGE NUMBER 2
STATEMENT DATE 12-31-18

	MBF INSPECTION SERVICE 0002479209	
12/07/18	LUCID ENERGY DEL Payment MBF INSPECTION SERVICE 560179	36,492.27
12/10/18	E-DEPOSIT	60,000.00
12/10/18	Equinor Energy L PAYMENTS NTE*ZZZ*81448\	9,760.00
12/10/18	COG OPERATING LL ACHOUT INSPECTION LEASING INC 060464	11,975.40
12/10/18	KMG Oil Gas Ons PAYMENTS INSPECTION LEASING INC XXXXX3835	8,760.85
12/10/18	Equinor Pipeline PAYMENTS NTE*ZZZ*81453 81452 81451 8145	35,120.00
12/11/18	E-DEPOSIT	385,000.00
12/11/18	OCCIDENTAL PAYMENTS MBF INSPECTION SERVICE 20972541-000235	6,941.68
12/11/18	OCCIDENTAL PAYMENTS MBF INSPECTION SERVICE 20972542-000236	7,367.25
12/11/18	OCCIDENTAL PAYMENTS MBF INSPECTION SERVICE 20972543-000237	22,861.20
12/11/18	CONTINENTAL RES 0000329923 MBF INSPECTION SERVICE 2000301413	14,214.72
12/11/18	Cimarex Energy C EDI PYMNTS MBF INSPECTION SERVICE 0002479387	20,246.25
12/12/18	E-DEPOSIT	115,517.22
12/12/18	AMOCO 6481 PO/REMIT REF*TN*0802462504*x\	5,835.38
12/12/18	Equinor Pipeline PAYMENTS NTE*ZZZ*81457 81459 81458 8145	28,950.00
12/12/18	Equinor Energy L PAYMENTS NTE*ZZZ*81476\	4,830.00
12/12/18	KINDER MORGAN AP AP PAYMENT MBF INSPECTION SERVICE KMI -XXXXX1000	29,502.79
12/13/18	E-DEPOSIT	120,000.00
12/13/18	CHEVRON 0966 PO/REMIT REF*TN*0025747226\	8,650.00
12/13/18	COG OPERATING LL ACHOUT INSPECTION LEASING INC 060464	24,054.00
12/13/18	Equinor Energy L PAYMENTS NTE*ZZZ*81242 81241 81084 8107	53,535.00
12/13/18	Cimarex Energy C EDI PYMNTS MBF INSPECTION SERVICE 0002485601	921.39
12/13/18	LS NGL PIPELINE, EDI PYMNTS	7,508.50

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MBF INSPECTION SERVICES
PO BOX 2428
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*****992

PAGE NUMBER 3
STATEMENT DATE 12-31-18

	MBF INSPECTION SVCS IN 453 5100026737	
12/13/18	BAYOU BRIDGE P/L EDI PYMNTS MBF INSPECTION SVCS IN 464 5100001688	69,856.41
12/13/18	EXPERIS IT SERV TAPFIN MBF INSPECTION LEASING 0000024988	88,287.29
12/14/18	E-DEPOSIT	50,000.00
12/14/18	CHEVRON 0966 PO/REMIT REF*TN*0025748333\	13,431.00
12/14/18	CHEVRON 0966 PO/REMIT REF*TN*0025748334\	18,522.66
12/14/18	DCP Operating Co PAYMENT MBF INSPECTION S 0000728423	12,196.56
12/14/18	Cimarex Energy C EDI PYMNTS MBF INSPECTION SERVICE 0002485764	523.89
12/14/18	OASIS PIPE LINE EDI PYMNTS MBF INSPECTION SVCS IN 479 5100020037	3,150.50
12/18/18	E-DEPOSIT	17,625.15
12/18/18	OCCIDENTAL PAYMENTS MBF INSPECTION SERVICE 20975633-000650	5,620.04
12/18/18	ETC NORTHEAST PL EDI PYMNTS MBF INSPECTION SVCS IN 423 5100016445	19,545.27
12/18/18	Cimarex Energy C EDI PYMNTS MBF INSPECTION SERVICE 0002485953	619.39
12/19/18	Equinor Energy L PAYMENTS NTE*ZZZ*81479 81477 81478\	30,542.85
12/19/18	Cimarex Energy C EDI PYMNTS MBF INSPECTION SERVICE 0002486131	45,836.97
12/20/18	E-DEPOSIT	110,765.45
12/20/18	ALLEGIS GLOBAL S CORP PYMNT MBF INSPECTION S APXXXXX5990	180,781.54
12/20/18	EXPERIS IT SERV TAPFIN MBF INSPECTION LEASING 0000024988	12,748.30
12/21/18	E-DEPOSIT	30,000.00
12/21/18	CHEVRON 0966 PO/REMIT REF*TN*0025754098\	5,521.90
12/21/18	CITGO PETROLEUM CITGO 81604	8,647.87
12/21/18	CITGO PETROLEUM CITGO 81605	9,575.35
12/21/18	LUCID ENERGY DEL Payment MBF INSPECTION SERVICE 560179	45,985.44
12/21/18	Cimarex Energy C EDI PYMNTS MBF INSPECTION SERVICE 0002486461	7,585.64

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MBF INSPECTION SERVICES
 PO BOX 2428
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*****992
 PAGE NUMBER 4
 STATEMENT DATE 12-31-18

12/21/18	Caliche Coastal Bill.com	76,230.74
12/24/18	Caliche Coastal Caverns I, L.P OCCIDENTAL PAYMENTS MBF INSPECTION SERVICE 20977348-000131	6,398.84
12/24/18	OCCIDENTAL PAYMENTS MBF INSPECTION SERVICE 20977349-000132	7,331.34
12/24/18	OCCIDENTAL PAYMENTS MBF INSPECTION SERVICE 20977385-000168	29,127.08
12/24/18	BAYOU BRIDGE P/L EDI PYMNTS MBF INSPECTION SVCS IN 464 5100001724	90,962.62
12/26/18	CHEVRON 0966 PO/REMIT REF*TN*0025756537\	5,974.00
12/26/18	EXPERIS IT SERV TAPFIN MBF INSPECTION LEASING 0000024988	133,117.32
12/27/18	E-DEPOSIT	499,943.23
12/27/18	Equinor Pipeline PAYMENTS NTE*ZZZ*81654\	11,205.00
12/27/18	Equinor Energy L PAYMENTS NTE*ZZZ*81447\	3,735.00
12/27/18	ETC NORTHEAST PL EDI PYMNTS MBF INSPECTION SVCS IN 423 5100016551	21,416.40
12/27/18	DCP Operating Co PAYMENT MBF INSPECTION S 0000730259	19,346.27
12/28/18	E-DEPOSIT	100,000.00
12/28/18	CHEVRON 0966 PO/REMIT REF*TN*0025758832\	13,431.00
12/28/18	CHEVRON 0966 PO/REMIT REF*TN*0025758833\	43,827.73
12/28/18	ANDEAVOR LOGISTI 1000492622 RMR*IK*81684\	6,405.94
12/28/18	ANDEAVOR LOGISTI 1000492622 RMR*IK*81683\	6,199.79
12/28/18	Cimarex Energy C EDI PYMNTS MBF INSPECTION SERVICE 0002486778	86,037.37
12/28/18	Caliche Coastal Bill.com	72,211.39
12/28/18	Caliche Coastal Caverns I, L.P LUCID ARTESIA CO Payment MBF INSPECTION SERVICE 560179	4,630.10
12/31/18	E-DEPOSIT	50.00
12/31/18	COG OPERATING LL ACHOUT INSPECTION LEASING INC 060464	106,522.65
12/31/18	Equinor Pipeline PAYMENTS NTE*ZZZ*81645 81644 81646 8164	34,405.00
12/31/18	DCP Operating Co PAYMENT MBF INSPECTION S 0000730836	9,990.47
12/31/18	LUCID ENERGY DEL Payment	60,927.50

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MBF INSPECTION SERVICES
 PO BOX 2428
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*****992

PAGE NUMBER 5
 STATEMENT DATE 12-31-18

MBF INSPECTION SERVICE
 560179

TOTAL # CREDITS	92	TOTAL CREDITS	4,102,573.49
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CHECKS PAID

NUMBER	AMOUNT	DATE	NUMBER	AMOUNT	DATE
26	37.49	12/14/18	269	1,541.88	12/12/18
200*	4,177.77	12/04/18	270	32,117.93	12/17/18
210*	1,000.00	12/21/18	271	50.00	12/12/18
218*	4,177.77	12/14/18	272	57.67	12/12/18
244*	60.00	12/04/18	273	65.67	12/18/18
250*	750.00	12/05/18	274	21,642.13	12/17/18
251	4,636.03	12/28/18	275	1,512.23	12/18/18
252	37.49	12/19/18	276	172.53	12/19/18
255*	6,570.92	12/04/18	277	485.24	12/24/18
256	2,235.60	12/06/18	278	75.48	12/18/18
257	8,500.00	12/05/18	279	809.06	12/20/18
258	943.54	12/04/18	280	2,701.78	12/21/18
259	40.00	12/07/18	282*	73.70	12/18/18
260	40.44	12/04/18	283	1,668.12	12/18/18
265*	591.70	12/14/18	285*	372.00	12/28/18
266	34.84	12/17/18	286	213.32	12/28/18
267	94.35	12/17/18	287	42.94	12/28/18
268	164.39	12/10/18	288	935.00	12/27/18

TOTAL # CHECKS PAID	36	TOTAL CHECKS PAID	98,629.01
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OTHER WITHDRAWALS

DATE	DESCRIPTION	AMOUNT
12/03/18	IRS USATAXPYMT MBF INSPECTION SERVICE 270873761569623	143,443.55-
12/03/18	EXPERTPAY EXPERTPAY MBF INSPECTION SERVICE XXXXX5709	1,211.04-
12/03/18	UNITED HEALTH CA EPOSPPYMNTS MBF Inspection S OB608689	128,959.47-
12/04/18	AZ DEPT OF REV CCDDIR.DBT MBF INSPECTION SERVICE XXXXX9955	537.39-
12/04/18	AMERICAN UNITED PENSIONPMT G38162MBF INSPECTION S XXXXX130.G38162	19,282.74-
12/04/18	MBF INSPECTION PAYROLL MBF INSPECTION	1,165.96-
12/05/18	CT DOR PAYMENT BUS DIRPAY MBF INSPECTION SERVICE 541282020000075	260.61-
12/05/18	COMMWLTHOFPA INT PAEMPLOYTX TXP*94392908 *1051 *1811	2,167.73-
12/05/18	NYS DTF PROMPT WT Tax Paymnt	566.10-

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MBF INSPECTION SERVICES
PO BOX 2428
ROSWELL NM 88202-2428

*****992
PAGE NUMBER 6
STATEMENT DATE 12-31-18

12/05/18	MBF INSPECTION SERVICE 000000037517093 IL DEPT OF REVEN EDI PYMNTS TXP*203125709000*0112*20181231	52.72-
12/06/18	GEORGIA ITS TAX GA TX PYMT MBF INSPECTION SERVICE 1718480464	2,056.07-
12/06/18	COMM OF MASS EFT MA DOR PAY MBF INSPECTION SERVICE XXXXXX4144	2,851.57-
12/06/18	STATE OF IDAHO DEBIT TAX TXP*XXXXXX9242 *01109*1811	519.00-
12/06/18	Dept. of Revenue TaxPaymnt TXP*EFT*011*181130*T*0\	982.33-
12/06/18	KSDEPTOFRREVENU TAXDRAFTS MBF INSPECTION S 036203125709F01	163.00-
12/06/18	IND WITH TAX INTAX 000511181130181205181316	598.15-
12/07/18	IB TFR TO 009996774799 MONTHLY LEASE PAYMENT #	12,428.66-
12/07/18	MBF INSPECTION PAYROLL MBF INSPECTION	508,925.65-
12/07/18	STATE OF RI TAX PMT MBF Inspection Service 000020312570900	672.48-
12/07/18	ME BUREAU OF TAX INTRNET DR MBF INSPECTION SERVICE 0561802030691	1,759.00-
12/07/18	MBF INSPECTION PAYMENT MBF INSPECTION	24,149.99-
12/07/18	MSDEPTOFRREVENU TAXPAYMENT M B F INSPECTION SERVI XXXXXX9008	7,030.00-
12/07/18	MI Business Tax Payment CarrollBobby SMIBUSXXXX9980	3,261.75-
12/07/18	STATE OF LOUISIA EPOS PYMNTS TXP*4944682001*01100*181231*T*	4,967.96-
12/07/18	UNITED HEALTH CA EPOS PYMNTS MBF Inspection S OB610364	14.98-
12/07/18	UTAH801/297-7703 TAX PAYMNT MBF INSPECTION SERVICE 69218560	1,350.77-
12/10/18	TAX PAYMENTS OK TAX PMT TXP*GK*WTH*A*WTH1011469602*201	4,914.00-
12/10/18	EXPERTPAY EXPERTPAY MBF INSPECTION SERVICE XXXXXX5709	941.41-

PHONE 505-830-8100 OR 877-280-1856
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Attn: Business Customers.
2019 Pricing and Annual Sweep Disclosures
may be located at:
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MBF INSPECTION SERVICES
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*****992
PAGE NUMBER 7
STATEMENT DATE 12-31-18

12/10/18	CSI MODR TAX DORPAYMENT MBF INSPECTION SERVICE T33947893	2,508.50-
12/10/18	WI DEPT REVENUE TAXPAYMNT MBF INSPECTION SERVICE 1514506816	781.69-
12/10/18	IRS USATAXPYMT MBF INSPECTION SERVICE 270874485382178	109,078.42-
12/10/18	MBF INSPECTION PAYROLL MBF INSPECTION	680.00-
12/11/18	WVTREASURY WVTAXPAYPB MBF INSPECTION SERVICE STO1912102912	1,479.00-
12/11/18	AZ DEPT OF REV CCDDIR.DBT MBF INSPECTION SERVICE XXXXX9955	377.96-
12/11/18	AMERICAN UNITED PENSIONPMT G38162MBF INSPECTION S XXXXXX207.G38162	13,535.08-
12/11/18	EMPLOYMENT DEVEL EDD EFTPMT MBF INSPECTION SERVICE 1019429696	430.77-
12/12/18	STATE OF MONTANA MT TAX PMT MBF INSPECTION SERVICE 5872926002WTH	1,024.00-
12/12/18	COMMWLTHOFPA INT PAEMPLOYTX TXP*94392908 *1051 *1812	493.53-
12/12/18	OR REVENUE DEPT TAXPAYMENT MBF INSPECTION SERVICE 1989872128	255.00-
12/12/18	XCEL ENERGY-SPS XCELENERGY MBF INSPECTION SERVI 00016671822	474.08-
12/14/18	MBF INSPECTION PAYROLL MBF INSPECTION	667,402.65-
12/17/18	EXPERTPAY EXPERTPAY MBF INSPECTION SERVICE XXXXX5709	846.89-
12/17/18	IRS USATAXPYMT MBF INSPECTION SERVICE 270875163208171	131,162.23-
12/17/18	Cable One, Inc. CABLE ONE . MBF INSPECTION SERVI CABREGXXXX8643	485.24-
12/18/18	AMERICAN UNITED PENSIONPMT G38162MBF INSPECTION S XXXXX214.G38162	21,938.30-
12/18/18	MBF INSPECTION PAYMENT MBF INSPECTION	351.11-
12/19/18	CT DOR PAYMENT BUS DIRPAY MBF INSPECTION SERVICE 541282020000075	248.67-
12/19/18	COMMWLTHOFPA INT PAEMPLOYTX	1,815.97-

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PO BOX 2428
ROSWELL NM 88202-2428

*****992

PAGE NUMBER 8
STATEMENT DATE 12-31-18

12/19/18	TXP*94392908 *1051 *1812 NYS DTF PROMPT WT Tax Payment MBF INSPECTION SERVICE 000000037989336	552.83-
12/19/18	AZ DEPT OF REV CCDDIR.DBT MBF INSPECTION SERVICE XXXXX9955	527.74-
12/19/18	KSDEPTOFRREVENU TAXDRAFTS MBF INSPECTION S 036203125709F01	112.00-
12/20/18	IL DEPT OF REVEN EDI PYMNTS TXP*203125709000*0112*20181231	297.74-
12/20/18	AMEX EPAYMENT ACH PMT MBF Inspection Service W1010	6,030.37-
12/20/18	AMEX EPAYMENT ACH PMT MBF Inspection Service W9328	3,000.00-
12/21/18	MBF INSPECTION PAYROLL MBF INSPECTION	605,889.08-
12/21/18	MBF INSPECTION PAYMENT MBF INSPECTION	9,298.38-
12/21/18	MBF INSPECTION PAYROLL MBF INSPECTION	308.18-
12/24/18	IRS USATAXPYMT MBF INSPECTION SERVICE 270875800154438	133,799.17-
12/24/18	AMERICAN UNITED PENSIONPMT G38162MBF INSPECTION S XXXXX221.G38162	13,535.72-
12/24/18	EXPERTPAY EXPERTPAY MBF INSPECTION SERVICE XXXXX5709	1,156.60-
12/24/18	AZ DEPT OF REV CCDDIR.DBT MBF INSPECTION SERVICE XXXXX9955	442.29-
12/24/18	CenturyLink Payment 78046489 78046489	609.81-
12/24/18	EMPLOYMENT DEVEL EDD EFTPMT MBF INSPECTION SERVICE 1377801024	863.03-
12/24/18	TAX REV CRS ECKS TRD PMNT MBF INSPECTION SERVICE XXXXX3280	70,498.02-
12/26/18	STATE OF MONTANA MT TAX PMT MBF INSPECTION SERVICE 5872926002WTH	1,418.00-
12/26/18	COMMWLTHOFPA INT PAEMPLOYTX TXP*94392908 *1051 *1812	558.98-
12/26/18	OR REVENUE DEPT TAXPAYMENT MBF INSPECTION SERVICE XXXXX5904	255.00-
12/27/18	CenturyLink Payment 79753142 79753142	666.33-
12/28/18	MBF INSPECTION PAYROLL MBF INSPECTION	682,166.02-
12/28/18	MBF INSPECTION PAYMENT MBF INSPECTION	1,643.95-

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PO BOX 2428
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*****992
PAGE NUMBER 9
STATEMENT DATE 12-31-18

12/28/18	EXPERTPAY	EXPERTPAY	846.89-
	MBF INSPECTION SERVICE		
	XXXXXX5709		
12/31/18	IB TFR TO 009996774799		4,968.49-
	MONTHLY INTEREST ON LOC		
	#		
12/31/18	IRS	USATAXPYMT	137,742.31-
	MBF INSPECTION SERVICE		
	270876501035372		
TOTAL # OTHER WITHDRAWALS		73	TOTAL OTHER WITHDRAWALS 3,507,790.10-

BALANCE SUMMARY

DATE	BALANCE	DATE	BALANCE	DATE	BALANCE
11/30/18	1,446,439.38	12/03/18	1,359,702.77	12/04/18	1,677,476.36
12/05/18	1,709,198.65	12/06/18	1,764,710.03	12/07/18	1,437,968.05
12/10/18	1,444,515.89	12/11/18	1,885,324.18	12/12/18	2,066,063.41
12/13/18	2,438,876.00	12/14/18	1,864,491.00	12/17/18	1,678,107.39
12/18/18	1,695,832.63	12/19/18	1,768,745.22	12/20/18	2,062,903.34
12/21/18	1,627,252.86	12/24/18	1,539,682.86	12/26/18	1,676,542.20
12/27/18	2,230,586.77	12/28/18	1,873,408.94	12/31/18	1,942,593.76

MBF Inspection Services, Inc.

FINANCIAL STATEMENTS

December 31, 2018

MBF Inspection Services, Inc.**Balance Sheet****As of December 31, 2018****ASSETS****Current Assets**

Cash - Bank of the Southwest DIP Account	\$ 6,107
Cash - New Mexico Bank & Trust DIP Account	1,929,387
Certificate of Deposit - Valley Bank of Commerce	250,516
Certificate of Deposit - Wells Fargo Bank	263,902
Accounts Receivable	3,551,398
Earned but Unbilled Revenues	738,167
Other Receivables	771
Prepaid Expenses	314,408
Due From Related Parties	-
<i>Total Current Assets</i>	<i>7,054,656</i>

Property and Equipment

Fixed Assets	34,729
Accumulated Depreciation	(5,282)
<i>Net Property and Equipment</i>	<i>29,448</i>

Other Assets

Refundable Deposits	-
Total Assets	\$ 7,084,103

LIABILITIES AND STOCKHOLDERS' EQUITY**Current Liabilities**

Accounts Payable	\$ 221,224
Accrued Liabilities	1,312,238
Line of Credit - Inspection Leasing, Inc.	975,000
Current Portion of Long-Term Debt	250,955
Due to Related Parties	-
<i>Total Current Liabilities</i>	<i>2,759,418</i>

Long-Term Liabilities

Long Term Debt - Net of Current Portion	-
<i>Total Liabilities</i>	<i>2,759,418</i>

Stockholders' Equity

Capital Stock	1,000
Additional Paid in Capital	-
Retained Earnings	4,323,686
<i>Total Stockholders' Equity</i>	<i>4,324,686</i>
Total Liabilities and Stockholders' Equity	\$ 7,084,103

The accompanying balance sheet of MBF Inspection Services, Inc. as of December 31, 2018 and the related statements of income, changes in stockholders' equity, and cash flows for the twelve months then ended have been prepared by Bobby D. Carroll, CPA. I have prepared such financial information in my capacity as Controller of MBF Inspection Services, Inc.

MBF Inspection Services, Inc.
Statement of Income
For the Twelve Months Ended December 31, 2018

		% of Sales	% of Labor
Revenue from Operations			
Sales, net of returns & allowances of	\$ 580,079	\$ 55,372,319	100.00%
Other operating income	-	0.00%	0.00%
<i>Total Revenue from Operations</i>		<i>55,372,319</i>	<i>100.00%</i>
		<i>183.47%</i>	<i>183.47%</i>
Direct Costs and Expenses			
Billable Reimbursements	1,160,375	2.10%	3.84%
Contract Labor	48,654	0.09%	0.16%
Employee Benefits	1,075,172	1.94%	3.56%
Insurance	877,929	1.59%	2.91%
Labor	30,180,315	54.50%	100.00%
Mileage	3,266,009	5.90%	10.82%
Non-Billable Reimbursements	9,281	0.02%	0.03%
Payroll Taxes	2,420,702	4.37%	8.02%
Per Diem	12,593,109	22.74%	41.73%
Drug testing, safety, and training costs and expenses	266,863	0.48%	0.88%
<i>Total Direct Costs and Expenses</i>		<i>51,898,410</i>	<i>93.73%</i>
		<i>171.96%</i>	
Gross Profit		\$ 3,473,909	6.27%
			11.51%
Other operating costs and expenses			
Advertising	7,557	0.01%	0.03%
Bank Charges	5,121	0.01%	0.02%
Bad Debt Expense	-	0.00%	0.00%
Car & Truck Expense	11,902	0.02%	0.04%
Charitable Contributions	6,720	0.01%	0.02%
Depreciation	868	0.00%	0.00%
Dues & Subscriptions	27,851	0.05%	0.09%
Employee Benefits	84,523	0.15%	0.28%
Insurance	-	0.00%	0.00%
Interest	72,575	0.13%	0.24%
Legal & Professional Fees	573,292	1.04%	1.90%
Meals & Entertainment	8,946	0.02%	0.03%
Office Expense	29,860	0.05%	0.10%
Penalties & Fines	990	0.00%	0.00%
Political Contributions	-	0.00%	0.00%
Promotional Expense	-	0.00%	0.00%
Rent	243,830	0.44%	0.81%
Repairs & Maintenance	59,223	0.11%	0.20%
Salaries & Wages	1,541,070	2.78%	5.11%
Supplies	14,633	0.03%	0.05%
Taxes	132,976	0.24%	0.44%
Telephone	29,458	0.05%	0.10%
Travel	38,003	0.07%	0.13%
Utilities	11,128	0.02%	0.04%
<i>Total Other Operating Costs and Expenses</i>		<i>2,900,529</i>	<i>5.24%</i>
			<i>9.61%</i>
Income/(Loss) from Operations		573,381	1.04%
			1.90%
Other Income and (Expenses)			
Dividend Income	-	0.00%	0.00%
Interest Income	591	0.00%	0.00%
Miscellaneous Expense	(156,253)	-0.28%	-0.52%
Miscellaneous Income	1,271	0.00%	0.00%
Rental Income	3,750	0.01%	0.01%
Reconciliation Discrepancies	(0)	0.00%	0.00%
Sales of Assets (Gain)/Loss	-	0.00%	0.00%
<i>Total Other Income and (Expenses)</i>		<i>(150,641)</i>	<i>-0.27%</i>
			<i>-0.50%</i>
Net Income/(Loss)		\$ 422,739	0.76%
			1.40%

The accompanying balance sheet of MBF Inspection Services, Inc. as of December 31, 2018 and the related statements of income, changes in stockholders' equity, and cash flows for the twelve months then ended have been prepared by Bobby D. Carroll, CPA. I have prepared such financial information in my capacity as Controller of MBF Inspection Services, Inc.

MBF Inspection Services, Inc.
Statement of Changes in Stockholders' Equity
For the Twelve Months Ended December 31, 2018

	Common Stock	Additional Paid-in Capital	Retained Earnings
Balance at December 31, 2017	\$ 1,000	\$ -	\$ 3,900,946
Stock purchase	-	-	-
Shareholder distributions	-	-	-
Net income/(loss) for the period	-	-	422,739
Balance at December 31, 2018	\$ 1,000	\$ -	\$ 4,323,686

The accompanying balance sheet of MBF Inspection Services, Inc. as of December 31, 2018 and the related statements of income, changes in stockholders' equity, and cash flows for the twelve months then ended have been prepared by Bobby D. Carroll, CPA. I have prepared such financial information in my capacity as Controller of MBF Inspection Services, Inc.

MBF Inspection Services, Inc.
Statement of Cash Flows
For the Twelve Months Ended December 31, 2018

Cash flows from operating activities	
Cash received from customers	\$ 57,939,665
Interest received	591
Other receipts	5,021
Cash paid to suppliers, employees and taxing authorities	(55,030,869)
Interest paid	(72,575)
Income taxes paid	-
<i>Net cash provided by/(used in) operating activities</i>	2,841,833
Cash flows from investing activities	
Receipts from sales of assets	-
Receipts from related party loans	-
Investment purchases	-
Equipment purchases	-
<i>Net cash provided by/(used in) investing activities</i>	-
Cash flows from financing activities	
Advances on line of credit	-
Principal payments on related party loans	(3,688,725)
Proceeds from related party loans	2,093,281
Principal payments on line of credit	-
Proceeds from short-term borrowings	250,955
Principal payments on long-term liabilities	-
Proceeds from refundable deposits	-
Shareholder distributions	-
<i>Net cash provided by/(used in) financing activities</i>	(1,344,489)
Net increase/(decrease) in cash and cash equivalents	1,497,344
Cash and cash equivalents at the beginning of the period	952,568
Cash and cash equivalents at the end of the period	\$ 2,449,912

MBF Inspection Services, Inc.
Statement of Cash Flows (Continued)
For the Twelve Months Ended December 31, 2018

**Reconciliation of net income/(loss) to net cash provided by/
 (used in) operating activities:**

Net income/(loss)	\$ 422,739
Adjustments to reconcile net income/(loss) to net cash provided by/ (used in) operating activities:	
Depreciation	868
Bad debt expense	-
(Gains)/losses from sales of assets	-
Unrealized (gains)/losses	-
(Increase)/decrease in assets:	
Accounts receivable - trade	2,567,346
Employee advances	1,343
Prepaid expenses	73,440
Prepaid income taxes	-
Increase/(decrease) in liabilities:	
Accounts payable	(123,918)
Accrued liabilities	(99,985)
Deferred income tax provision	-
Accrued income taxes	-
Net cash provided by/(used in) operating activities	\$ 2,841,833

Supplemental Disclosures of Cash Flow Information

Noncash investing and financing activities:	
Property and equipment purchased with borrowings	\$ -
Prepaid insurance purchased with borrowings	-
Debt paid with borrowings from line of credit	-
Property distributions to shareholders	-
Property distributions of additional paid-in capital	-
Related party borrowings	-

The accompanying balance sheet of MBF Inspection Services, Inc. as of December 31, 2018 and the related statements of income, changes in stockholders' equity, and cash flows for the twelve months then ended have been prepared by Bobby D. Carroll, CPA. I have prepared such financial information in my capacity as Controller of MBF Inspection Services, Inc.

MBF Inspection Services, Inc.

SUPPLEMENTAL INFORMATION

December 31, 2018

MBF Inspection Services, Inc.
Analysis of Monthly Revenues, Costs and Expenses

For the Twelve Months Ended December 31, 2018

	January	February	March	April	May	June	July	August	September	October	November	December	Year To Date Total
Revenue from Operations													
Sales	4,868,913	4,647,214	5,111,691	4,955,759	4,929,037	4,909,279	4,772,219	4,864,252	4,692,683	4,507,818	3,777,518	3,916,015	55,952,398
Sales Returns & Allowances	(51,531)	(48,608)	(53,369)	(51,187)	(51,935)	(43,704)	(58,370)	(44,051)	(44,515)	(41,317)	(35,360)	(56,131)	(580,079)
Other operating income	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Total Revenue from Operations</i>	<i>4,817,382</i>	<i>4,598,605</i>	<i>5,058,321</i>	<i>4,904,572</i>	<i>4,877,102</i>	<i>4,865,576</i>	<i>4,713,849</i>	<i>4,820,202</i>	<i>4,648,168</i>	<i>4,466,501</i>	<i>3,742,158</i>	<i>3,859,884</i>	<i>55,372,319</i>
Direct Costs and Expenses													
Accrued Labor	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued Payroll Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Billable Reimbursements	100,436	107,143	105,736	120,743	107,315	102,599	105,045	94,791	96,650	80,207	70,367	69,344	1,160,375
Contract Labor	-	-	-	-	-	-	-	-	-	-	-	-	-
Employee Benefits	98,933	91,519	91,957	99,068	96,691	75,726	95,966	84,879	95,379	91,734	69,115	84,204	1,075,172
Insurance	92,399	78,647	77,897	67,670	73,373	67,552	69,593	64,875	64,939	89,584	66,843	64,556	877,929
Labor	2,694,010	2,463,119	2,751,448	2,568,537	2,683,980	2,677,741	2,585,110	2,718,536	2,462,542	2,460,075	2,109,122	2,006,097	30,180,315
Mileage	256,555	283,865	316,779	291,958	267,614	287,041	270,593	293,783	305,043	252,457	209,212	231,108	3,266,009
Non-Billable Reimbursements	100	392	(54)	1,500	67	1,449	2,500	808	1,711	-	540	268	9,281
Payroll Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Payroll Taxes	314,318	227,868	234,761	214,761	206,303	210,926	204,762	193,995	181,109	150,802	119,537	161,561	2,420,702
Per Diem	1,014,319	1,046,800	1,175,202	1,208,970	1,017,100	1,115,521	1,130,776	1,018,912	1,182,179	894,946	844,637	943,747	12,593,109
Drug testing, safety, & training costs	20,929	37,957	23,615	20,511	15,417	24,696	15,516	21,254	19,382	20,928	29,493	17,164	266,863
<i>Total Direct Costs and Expenses</i>	<i>4,592,000</i>	<i>4,337,309</i>	<i>4,777,342</i>	<i>4,593,717</i>	<i>4,467,860</i>	<i>4,563,251</i>	<i>4,479,862</i>	<i>4,491,833</i>	<i>4,412,884</i>	<i>4,053,764</i>	<i>3,531,718</i>	<i>3,596,870</i>	<i>51,898,410</i>
Gross Profit	225,382	261,296	280,980	310,854	409,242	302,325	233,987	328,368	235,285	412,737	210,439	263,014	3,473,909
Other Operating Costs and Expenses													
Advertising	1,814	1,784	1,393	-	100	339	300	575	95	-	-	1,157	7,557
Bank Charges	-	-	-	-	-	5,000	-	-	-	117	-	4	5,121
Bad Debt Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Car & Truck Expense	1,822	1,104	402	3,256	791	147	955	841	593	648	430	912	11,902
Charitable Contributions	400	720	650	100	600	300	450	300	2,200	-	1,000	-	6,720
Depreciation	72	72	72	72	72	72	72	72	72	72	72	72	868
Dues & Subscriptions	2,213	847	559	687	654	2,016	726	13,900	639	2,747	2,255	608	27,851
Employee Benefits	7,133	6,384	7,678	6,688	6,974	8,504	6,809	5,105	6,561	6,996	8,056	7,636	84,523
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	1	-	1	323	20,958	8,565	16,078	8,986	6,007	5,733	5,924	72,575
Legal & Professional Fees	16,667	17,148	26,408	71,510	138,298	30,792	12,782	12,720	32,969	51,777	69,993	92,230	573,292
Meals & Entertainment	806	409	731	442	1,171	324	359	1,518	473	564	1,469	680	8,946
Office Expense	2,972	2,221	3,141	2,037	2,007	395	2,408	2,289	1,787	3,068	1,804	5,729	29,860
Penalties & Fines	-	291	-	10	1	310	259	(258)	362	-	16	-	990
Political Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-
Promotional Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent	20,964	20,962	20,964	20,963	21,153	21,154	12,462	20,967	20,929	21,159	20,965	21,192	243,830
Repairs & Maintenance	5,056	8,966	4,644	6,995	6,780	5,251	3,256	3,763	4,200	3,240	3,210	3,863	59,223
Salaries & Wages	113,952	110,884	112,248	110,840	113,029	153,203	112,997	124,930	123,374	123,247	221,489	120,877	1,541,070
Supplies	2,091	94	794	1,165	(562)	(125)	-	1,477	1,507	2,162	5,373	658	14,633
Taxes	11,910	10,811	10,639	9,482	9,924	12,234	7,862	6,753	6,216	19,639	17,644	9,863	132,976
Telephone	2,546	1,612	2,321	2,369	2,561	1,397	2,290	3,470	2,384	1,895	3,101	3,512	29,458
Travel	3,349	5,486	3,813	9,044	3,416	153	1,104	1,262	3,538	2,654	2,015	2,169	38,003
Utilities	1,613	673	1,037	923	768	126	152	1,859	845	629	1,648	856	11,128
<i>Total Other Operating Costs and Expenses</i>	<i>195,378</i>	<i>190,468</i>	<i>197,495</i>	<i>246,585</i>	<i>308,061</i>	<i>262,549</i>	<i>173,808</i>	<i>217,619</i>	<i>217,731</i>	<i>246,621</i>	<i>366,274</i>	<i>277,940</i>	<i>2,900,529</i>
Income/(Loss) from Operations	30,003	70,828	83,485	64,269	101,181	39,776	60,180	110,749	17,554	166,116	(155,835)	(14,926)	573,381
Other Income and Expenses													
Dividend Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	10	-	-	118	93	75	72	74	75	74	591
Miscellaneous Expense	-	-	-	-	-	(20,000)	(13,009)	13,009	-	(136,253)	-	-	(156,253)
Miscellaneous Income	23	26	76	58	17	18	512	136	12	9	189	194	1,271
Rental Income	300	300	300	300	350	350	350	350	350	350	350	100	3,750
Reconciliation Discrepancies	-	-	-	-	(0)	-	-	-	-	-	-	-	(0)
Sales of Assets (Gain)/Loss	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Total Other Income and (Expenses)</i>	<i>323</i>	<i>326</i>	<i>386</i>	<i>358</i>	<i>367</i>	<i>(19,514)</i>	<i>(12,054)</i>	<i>13,570</i>	<i>434</i>	<i>(135,820)</i>	<i>614</i>	<i>369</i>	<i>(150,641)</i>
Net Income/(Loss)	30,326	71,154	83,871	64,627	101,548	20,262	48,126	124,319	17,988	30,296	(155,221)	(14,557)	\$ 422,739

MBF Inspection Services, Inc.
Analysis of Annual Revenues, Costs, and Expenses
As of December 31, 2018

	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenue from Operations									
Sales	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Other operating income	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Revenue from Operations	100.00%								
Direct Costs and Expenses									
Billable Reimbursements	2.15%	1.60%	0.80%	0.55%	0.73%	0.94%	1.70%	2.05%	2.10%
Contract Labor	0.16%	0.29%	0.00%	0.12%	0.00%	0.15%	0.55%	0.11%	0.09%
Employee Benefits	1.24%	0.91%	0.56%	0.60%	0.81%	1.12%	1.99%	1.77%	1.94%
Insurance	1.14%	0.87%	1.21%	1.78%	1.58%	1.88%	2.32%	1.60%	1.59%
Labor	26.80%	30.38%	37.97%	49.90%	52.24%	51.15%	51.92%	52.72%	54.50%
Mileage	0.00%	0.00%	8.98%	7.44%	6.95%	6.49%	5.95%	5.89%	5.90%
Vehicle Allowance	0.00%	0.00%	11.96%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Non-Billable Reimbursements	0.00%	0.00%	0.54%	0.46%	0.35%	0.34%	0.02%	0.02%	0.02%
Payroll Taxes	2.55%	3.13%	3.67%	4.08%	4.16%	4.09%	4.73%	4.63%	4.37%
Per Diem	50.59%	56.66%	24.47%	22.97%	21.94%	22.07%	23.63%	23.83%	22.74%
Drug testing, safety, and training costs and expenses	0.08%	0.06%	0.24%	0.48%	0.42%	0.51%	0.76%	0.57%	0.48%
Total Direct Costs and Expenses	84.71%	93.90%	90.40%	88.38%	89.18%	88.73%	93.57%	93.21%	93.73%
Gross Profit	15.29%	6.10%	9.60%	11.62%	10.82%	11.27%	6.43%	6.79%	6.27%
Other operating costs and expenses									
Bad Debt Expense	0.01%	-0.07%	0.46%	0.01%	-0.12%	0.00%	-0.11%	0.00%	0.00%
Car & Truck Expense	0.08%	0.06%	0.03%	0.03%	0.02%	0.02%	0.01%	0.03%	0.02%
Employee Benefits	0.09%	0.01%	0.13%	0.05%	0.07%	0.13%	0.35%	0.16%	0.15%
Interest	0.00%	0.01%	0.09%	0.00%	0.39%	0.22%	0.00%	0.00%	0.13%
Legal & Professional Fees	1.10%	0.50%	0.23%	0.57%	0.21%	0.30%	0.78%	0.87%	1.04%
Meals & Entertainment	0.01%	0.01%	0.02%	0.02%	0.03%	0.03%	0.05%	0.03%	0.02%
Office Expense	0.41%	0.18%	0.12%	0.09%	0.09%	0.07%	0.10%	0.07%	0.05%
Rent	0.42%	0.29%	0.23%	0.21%	0.25%	0.33%	0.57%	0.44%	0.44%
Repairs & Maintenance	0.04%	0.02%	0.06%	0.08%	0.05%	0.07%	0.16%	0.13%	0.11%
Salaries & Wages	2.47%	1.66%	1.57%	1.72%	2.00%	2.68%	4.57%	2.83%	2.78%
Supplies	0.05%	0.05%	0.09%	0.03%	0.02%	0.01%	0.02%	0.02%	0.03%
Taxes	0.24%	0.09%	0.34%	0.21%	0.25%	0.23%	0.44%	0.27%	0.24%
Telephone	0.04%	0.03%	0.03%	0.03%	0.03%	0.04%	0.07%	0.05%	0.05%
Travel	0.18%	0.13%	0.11%	0.06%	0.07%	0.10%	0.13%	0.06%	0.07%
Other operating costs & expenses	0.13%	0.09%	0.08%	0.03%	0.42%	0.75%	0.19%	0.07%	0.11%
Total Other Operating Costs and Expenses	5.27%	3.06%	3.59%	3.14%	3.78%	4.99%	7.33%	5.02%	5.24%
Income/(Loss) from Operations	10.02%	3.04%	6.01%	8.48%	7.04%	6.28%	-0.90%	1.77%	1.04%
Other Income and (Expenses)									
Other income	0.16%	0.04%	0.03%	0.02%	0.01%	0.00%	1.25%	0.01%	0.01%
Other expenses	-0.13%	-0.01%	0.00%	0.00%	-18.51%	0.01%	0.00%	0.00%	-0.28%
Total Other Income and (Expenses)	0.03%	0.03%	0.03%	0.02%	-18.50%	0.01%	1.25%	0.01%	-0.27%
Net Income/(Loss)	10.05%	3.07%	6.04%	8.50%	-11.46%	6.29%	0.35%	1.78%	0.76%

MBF Inspection Services, Inc.
Statement of Income

For the Twelve Months Ended December 31, 2018 and December 31, 2017

	2018 Year-to-Date	% of Sales	% of Labor	2017 Year-to-Date	% of Sales	% of Labor
Revenue from Operations						
Sales	\$ 55,372,319	100.00	183.47	\$ 57,162,638	100.00	190.58
Other operating income	-	-	-	-	-	-
<i>Total Revenue from Operations</i>	<i>55,372,319</i>	<i>100.00</i>	<i>183.47</i>	<i>57,162,638</i>	<i>100.00</i>	<i>190.58</i>
Direct Costs and Expenses						
Billable Reimbursements	1,160,375	2.10	3.84	1,168,179	2.04	3.89
Contract Labor	48,654	0.09	0.16	65,360	0.11	0.22
Employee Benefits	1,075,172	1.94	3.56	1,007,391	1.76	3.36
Insurance	877,929	1.59	2.91	911,484	1.59	3.04
Labor	30,180,315	54.50	100.00	29,993,430	52.47	100.00
Mileage	3,266,009	5.90	10.82	3,349,504	5.86	11.17
Non-Billable Reimbursements	9,281	0.02	0.03	11,545	0.02	0.04
Payroll Taxes	2,420,702	4.37	8.02	2,635,833	4.61	8.79
Per Diem	12,593,109	22.74	41.73	13,555,419	23.71	45.19
Drug testing, safety, and training costs and expenses	266,863	0.48	0.88	325,417	0.57	1.08
<i>Total Direct Costs and Expenses</i>	<i>51,898,410</i>	<i>93.73</i>	<i>171.96</i>	<i>53,023,563</i>	<i>92.76</i>	<i>176.78</i>
Gross Profit	\$ 3,473,909	6.27	11.51	\$ 4,139,075	7.24	13.80
Other operating costs and expenses						
Advertising	7,557	0.01	0.03	2,578	0.00	0.01
Bank Charges	5,121	0.01	0.02	6,347	0.01	0.02
Bad Debt Expense	-	-	-	748	0.00	0.00
Car & Truck Expense	11,902	0.02	0.04	18,128	0.03	0.06
Charitable Contributions	6,720	0.01	0.02	3,845	0.01	0.01
Depreciation	868	0.00	0.00	868	0.00	0.00
Dues & Subscriptions	27,851	0.05	0.09	15,438	0.03	0.05
Employee Benefits	84,523	0.15	0.28	88,222	0.15	0.29
Insurance	-	-	-	-	-	-
Interest	72,575	0.13	0.24	597	0.00	0.00
Legal & Professional Fees	573,292	1.04	1.90	494,842	0.87	1.65
Meals & Entertainment	8,946	0.02	0.03	15,241	0.03	0.05
Office Expense	29,860	0.05	0.10	41,060	0.07	0.14
Penalties & Fines	990	0.00	0.00	415	0.00	0.00
Political Contributions	-	-	-	-	-	-
Promotional Expense	-	-	-	-	-	-
Rent	243,830	0.44	0.81	252,177	0.44	0.84
Repairs & Maintenance	59,223	0.11	0.20	73,077	0.13	0.24
Salaries & Wages	1,541,070	2.78	5.11	1,610,650	2.82	5.37
Supplies	14,633	0.03	0.05	13,187	0.02	0.04
Taxes	132,976	0.24	0.44	150,842	0.26	0.50
Telephone	29,458	0.05	0.10	27,394	0.05	0.09
Travel	38,003	0.07	0.13	31,455	0.06	0.10
Utilities	11,128	0.02	0.04	11,027	0.02	0.04
<i>Total Other Operating Costs and Expenses</i>	<i>2,900,529</i>	<i>5.24</i>	<i>9.61</i>	<i>2,858,137</i>	<i>5.00</i>	<i>9.53</i>
Income/(Loss) from Operations	573,381	1.04	1.90	1,280,937	2.24	4.27
Other Income and (Expenses)						
Dividend Income	-	-	-	-	-	-
Interest Income	591	0.00	0.00	452	0.00	0.00
Miscellaneous Expense	(156,253)	(0.28)	(0.52)	-	-	-
Miscellaneous Income	1,271	0.00	0.00	600	0.00	0.00
Rental Income	3,750	0.01	0.01	3,600	0.01	0.01
Reconciliation Discrepancies	-	-	-	-	-	-
Sales of Assets (Gain)/Loss	-	-	-	-	-	-
<i>Total Other Income and (Expenses)</i>	<i>(150,641)</i>	<i>(0.27)</i>	<i>(0.50)</i>	<i>4,652</i>	<i>0.01</i>	<i>0.02</i>
Net Income/(Loss)	\$ 422,739	0.76	1.40	\$ 1,285,589	2.25	4.29